Legal Services Society

Annual Service Plan Report

2007/2008

Legal Services Society

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Accountability Statement

This report was prepared under the direction of the Legal Services Society (LSS) Board of Directors in accordance with the Legal Services Society Act, the Budget Transparency and Accountability Act, and BC Reporting Principles. The LSS board is accountable for what has been included in this report and how it has been reported.

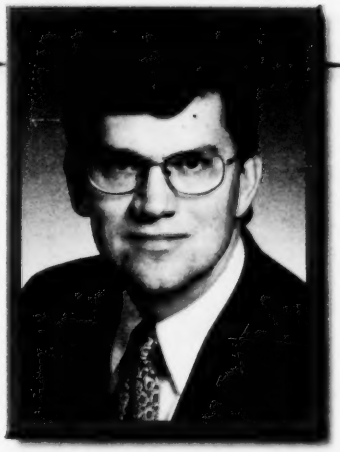
The information in this report reflects the society's actual performance for the year ended March 31, 2008, in relation to the February 2008 service plan. The measures presented are consistent with the society's mission, goals, and objectives, and focus on aspects critical to the organization's performance.

The LSS board is responsible for making sure controls are in place to ensure performance is measured accurately and in a timely fashion. This report contains estimates and interpretive information that represent the best judgment of management. All significant decisions, events, and identified risks as of March 31, 2008, have been considered.

Any changes in mandate, direction, goals, objectives, strategies, measures, or targets that were made after the release of the February 2008 service plan, as well as any significant limitations in the reliability of data, have been identified in this report.

Geoffrey Cowper, QC
Chair, LSS Board of Directors
April 2008

Message from the Chair



I am pleased to present the Legal Services Society's *Annual Service Plan Report 2007/2008*.

At LSS, we know that many, perhaps most, of our clients have multiple legal problems or related non-legal problems that contribute to their legal issues. We have learned from our clients that what works best for them is what gives them lasting and valued results—and very often, those results come from early intervention with services that support non-adversarial and holistic approaches.

Our own experience—and recent research from various jurisdictions—tells us, too, that we need to integrate legal aid with other social services. If we are to help clients achieve long-term solutions, then we must connect them with services beyond the courthouse so they can deal with issues such as addiction, family breakdown, poverty, and homelessness that so often create barriers to solving their legal problems.

This knowledge led the board in 2006 to establish legal aid renewal as a strategic priority for the society. A long-term endeavour, legal aid renewal is intended to ensure our services make a positive difference for clients. Having established the overall direction for this work last year, our focus throughout 2007/2008 was on planning and preparation. We have now laid the groundwork for implementing concrete initiatives designed to make our services available where and when they are needed, and to take an integrated approach to helping our clients.

This integrated approach informs initiatives already underway—such as our partnership with the Ministry of Attorney General to launch the Nanaimo Family Justice Services Centre this year, and our ongoing collaboration with the ministry to expand it into one of two full justice access centres to be piloted next year. In this same spirit, the society is participating in Vancouver's Downtown Community Court project by providing lead defence counsel.

Other significant developments this year included amendments to the LSS Act, which broadened the society's mandate, allowing us to expand our role in justice reform initiatives like the justice access centres. As well, to better guide our work and provide a framework for legal aid renewal, we revised our vision, mission, and values, and developed new goals, objectives, strategies, and measures, giving them an increased emphasis on client outcomes.

A substantial increase in Notary Foundation funding this year allowed us to institute several unplanned improvements. These included applying our tiered rates to duty counsel services, (to encourage more experienced lawyers to participate in the program) and providing more than 500 private lawyers with technology grants (to better

equip them to work efficiently with our clients and the legal system). The increase will also fund our expansion of services in the Northwest next year, to address that region's particular need for outreach to the Aboriginal communities and lawyers to take family law cases.

This year's public approval ratings (at 93%) and client satisfaction results (ranging from 65%–70%) indicate our overall performance has been positive. We anticipate improving client satisfaction, in particular, as we roll out our legal aid renewal initiatives. Next year, in addition to the justice access centres and community court, these will include partnerships with other agencies who serve BC's most vulnerable citizens, projects that respond to Aboriginal client's unique circumstances, and a triage system for the society's telephone services to reduce waiting times for callers and increase service efficiency.

Revenue exceeded expectations by $2.7 million in 2007/2008, most of which ($2.2 million) came from the Notary Foundation. Along with unexpected delays in work on the justice access centres and community court, this meant the society had a $1.7 million deficit rather than the planned $2.8 million deficit. This, in turn, meant our actual-to-budget expenditure variance was 2.7% and exceeded our target of 1.5%. These circumstances, however, are unlikely to be repeated—and a few years from now, once the $11 million reserved for legal aid renewal runs out, we will need additional core funding to maintain successfully piloted services.

This is my final term as the society's chair. During the past three years I have been consistently impressed with the talent and commitment of everyone who works for and with LSS. Staff, community advocates, private lawyers, and service agencies show remarkable resilience and compassion in their ongoing efforts to make access to justice a reality, and it has been a privilege to work with them. I am, as well, very grateful for the dedication of my fellow board members, whose engagement and commitment to strategic governance has been instrumental to revitalizing legal aid in BC.

I look forward to contributing to the society's work in general, and to legal aid renewal in particular, under the leadership of Mayland McKimm, QC, who will take over as the LSS board chair next year.

Geoffrey Cowper, QC
Chair, LSS Board of Directors
April 30, 2008

Organization Overview

The Legal Services Society (LSS) provides legal aid in British Columbia. Created by the Legal Services Society Act in 1979, LSS is a non-profit organization that remains independent of government. Our priority is to serve the interests of people with low incomes.

LSS mandate

In May 2007, the BC legislature revised the LSS Act to broaden the society's mandate while ensuring that people with low incomes remain the society's priority. Under section 9 (1) of the act, the society's mandate is to:

- help people solve their legal problems and facilitate access to justice,
- establish and administer an effective and efficient system for providing legal aid to people in BC, and
- provide advice to the Attorney General about legal aid and access to justice for people in BC.

Section 9 also states that the society is to:

- give priority to identifying and assessing the legal needs of people with low incomes in BC,
- consider the perspectives of both justice system service providers and the general public,
- coordinate legal aid with other aspects of the justice system and community services, and
- be flexible and innovative in carrying out its mandate.

LSS vision, mission, values

This year, we updated the vision, mission, and values statements that guide our work. The new statements are presented below.

Our vision

Our vision is a British Columbia where all people are able to find timely and lasting solutions to their legal issues.

Our mission

Our mission is to provide innovative and collaborative legal aid services that enable people with low incomes to effectively address their issues within the justice system.

Our values

Making a positive difference: We work with clients to help them find solutions to their legal issues and prevent future issues. We strive to ensure people with low incomes get equal access to and the intended benefits from the law.

Leadership: We seek to understand our clients' needs and collaborate with our community and justice system partners to develop innovative services to respond to those needs. We strive to ensure that all staff understand the society's vision and values, and support each other to achieve our mission.

Respect: We recognize diverse cultures, needs, and perspectives. We act with compassion, tolerance, and integrity in our relationships with our clients, community and justice system partners, and co-workers.

Service excellence: We engage stakeholders in the design of our services and evaluate our services to ensure that our clients are achieving the best possible outcomes. We recognize that the work of all LSS staff and partners contributes to service excellence.

Memorandum of Understanding

Under section 21 of the Legal Services Society Act, the society determines the range of services it will provide within the framework of a Memorandum of Understanding (MOU) negotiated with the Attorney General every three years (see Financial Report, page 24). The MOU and the LSS Act guide the relationship between the society and the provincial government. The MOU:

- sets out the roles and responsibilities of both parties,
- outlines anticipated provincial government funding for legal aid and the priorities for allocating that funding,
- acknowledges that LSS receives funding from sources other than the government and can apply that funding in any manner that is appropriate to fulfilling its mandate, and
- establishes the foundation for the society's budget and planning process.

LSS core services

LSS offers a range of services that includes legal representation, advice, information, and education. Our innovative and collaborative service delivery reflects our commitment to our values.

LSS delivers in-person services at 7 regional centres and through 20 funded local agents across the province (see inside back cover for a list of offices). Private lawyers provide most of the legal representation services on referral from LSS. The society also contracts with lawyers and other organizations to deliver services such as duty counsel.

To help make sure legal aid is accessible to all communities, LSS offers call centre and LawLINE services (see below) for people who cannot come to an office. The society also provides interpreters for phone clients and clients working with legal aid lawyers.

LSS provides legal representation for financially eligible people with serious family, child protection, and criminal law problems. It is also available for people who face a refugee or deportation hearing, Mental Health Review Panel or BC Review Board hearing, or prison issue for which the Charter of Rights and Freedoms establishes a right to counsel.

Legal advice is available to unrepresented people through:

- criminal, family, and immigration duty counsel in courthouses across BC;
- LawLINE, a toll-free telephone advice service;
- Brydges Line, an emergency phone service for people who have been or may be arrested; and
- family advice lawyers at various locations.

Most LSS advice services are subject to a financial eligibility test.

People who do not qualify for legal representation or advice can still get legal information. The society produces public legal education materials in print (many of which are available in other languages) and online, and provides legal information and referrals to services through LawLINE. Legal information outreach workers, who work out of LSS regional centres, deliver in-person legal information support to clients and community agencies.

LSS offers training conferences and support for community advocates who work with LSS clients. LSS also collaborates with community and government agencies to ensure people with low incomes have access to the other services they need to solve their legal issues.

For data on the number of clients who used legal aid services in 2007/2008, please see Appendix 1 on pages 41 to 46.

For more information about our legal aid services and eligibility criteria, please visit our website at www.lss.bc.ca (look under "Legal aid"). For a detailed profile of our services for clients and lawyers, including tariff rates and our client confidentiality policy, please read the fact sheets available on our website under "Media," "Legal aid facts."

LSS clients

This year, hundreds of thousands of BC residents received legal aid information, advice, and representation services. Legal aid clients are the province's most poor, vulnerable, and marginalized people. Of the 31,000 clients who were referred to a lawyer in 2007/2008, over 60% have less than a high school education, and about 25% are Aboriginal. About 70% of clients referred to a lawyer this year were men, and men made up nearly half of duty counsel clients and accounted for just over 35% of LawLINE calls. Women received about 30% of representation services, accounted for just over half of duty counsel clients, and made almost 65% of the calls to LawLINE.

Governance

The society is governed by a nine-member board of directors. Under its bylaws, the board's role is "to ensure the effective governance of the society through setting direction, monitoring performance, and hiring and supporting the executive director."

LSS adheres to the governance principles established by the Board Resourcing and Development Office (BRDO) and is in full compliance with BRDO guidelines.

Board governance

The governance framework of the board consists of policies and bylaws that reflect established governance best practices.

Of the nine board members:

- five are appointed by the Lieutenant-Governor in Council on the recommendation of the Attorney General, and
- four are appointed by the Law Society of BC after consultation with the executive of the BC Branch of the Canadian Bar Association.

The LSS Act outlines the need for the board as a whole to have a range of knowledge, skills, and experience in such areas as:

- business management and the financial affairs of public and private sector organizations;
- law and the operation of courts, tribunals, and alternative dispute resolution processes;
- the provision of legal aid;
- BC's cultural and geographic diversity; and
- the social and economic circumstances associated with the special legal needs of people with low incomes.

At their first meeting in each fiscal year, the directors of the board elect a board chair and an Executive Committee. Headed by the board chair and consisting of at least two other board directors, the Executive Committee holds all the powers of the board between meetings except the power to fill vacancies on or alter the membership of board committees and specific powers excluded by resolution of the board.

The board also establishes committees to help it carry out its responsibilities. The chair, in consultation with the society's executive director, appoints the members of these committees, unless the board directs otherwise. There are two board committees:

- the Finance Committee, which makes recommendations on the society's finances, funding, and fiscal allocations; and
- the Stakeholder Engagement Committee, which recommends ways to strengthen the society's relationships with key stakeholders (see Glossary, page 50) in the justice system.

For more information about the LSS board and its governance practices, see the society's website at www.lss.bc.ca.

LSS Board of Directors (at March 31, 2008)

Board members	Board committees
Geoffrey Cowper, QC Chair (Vancouver)	Executive Committee, Chair
Janice Comeau (Vancouver)	Finance Committee, Chair
David Crossin, QC (Vancouver)	Finance Committee
Leah George-Wilson (North Vancouver)	Stakeholder Engagement Committee
Larry Goble (Victoria)	Executive Committee
Bruce Hardy (Surrey)	Executive Committee; Finance Committee
John M. Hogg, QC (Kamloops)	Finance Committee
D. Mayland McKimm, QC Vice Chair (Victoria)	Executive Committee; Stakeholder Engagement Committee, Chair
Richard Schwartz (Victoria)	Stakeholder Engagement Committee

Senior management

The board of directors appoints an executive director to administer the business of the society. The executive director chairs the society's Executive Management Committee (EMC), which is made up of the directors of the four internal LSS divisions. EMC provides LSS with overall strategic direction, policy, and planning.

EMC also makes final decisions on strategic and operational issues brought forward by the two LSS advisory committees. The Operations and Infrastructure Committee advises EMC on interdivisional issues, management initiatives, and operational support issues. The Policy and Planning Committee advises EMC on interdivisional policy and planning issues, strategic and service planning, capacity management, and policies for coverage, eligibility, and tariffs.

LSS senior management (at March 31, 2008)

Directors

Mark Benton, QC, Executive Director

Harold V. J. Clark, Strategic Planning, Policy, and Human Resources

Heidi Mason, Public Legal Information and Applications

Catherine McNeil, Finance and Corporate Services

Edward Tanaka, Legal Advice and Representation

Senior managers

Joel Chamaschuk, Information Technology

Margaret Currie, Audit and Investigation

Corinne de Bruin, Policy

Thomas Fink, Strategic Planning

Noreen Finnerty, Human Resources and Organizational Development

David Griffiths, Criminal Law

Kyong-ae Kim, Civil Law

Sherry MacLennan, Applications and Eligibility

Thomas Quine, Publishing Services and Operational Support

Sandy Shreve, Communications

John Simpson, Community Services

Janice Staryk, Operations, Legal Advice and Representation

Eugene Wandell, Finance and Administration

Report on Performance

In 2007/2008, LSS established the framework for implementing legal aid renewal in BC and identified key initiatives to test new ways of providing legal aid services.

Legal aid renewal means ensuring the society's services help clients reach positive, lasting solutions to their legal problems. The society's renewal initiatives involve integrating legal aid with other services that clients need to achieve stable outcomes and become a part of healthier communities. This approach recognizes that legal aid clients often face complex social, economic, and medical problems related to their legal issues. It is supported by Canadian and international research that shows that legal problems often arise from or trigger other problems, including unemployment, mental health, or addiction issues; all which lead to an increased use of social, health, and justice services.

This work also builds on the innovations to legal aid begun in 2002 that focused on increasing collaboration with our service partners, providing services most appropriate to clients' issues, encouraging mediated solutions where possible, and using technology to enhance accessibility. Evolutionary changes to most LSS services will continue in 2008/2009.

Adjustments

During 2007/2008, LSS developed new goals, objectives, and strategies, and added new performance measures to help us carry out and evaluate legal aid renewal. This new strategic framework is presented in our 2008/2009–2010/2011 service plan (see Appendix 2 on page 47). The goals, objectives, strategies, and measures in place for 2007/2008 are shown in table 3 on page 12.

Performance management and reporting system

LSS measures its performance by surveying stakeholders on how well our services are meeting their needs. Listening to stakeholders helps LSS identify areas for improvement and increases our accountability to those who are directly affected by our work. For a summary of our performance, see table 1, page 9.

The LSS board and senior management use data from the surveys, as well as from service evaluations and internal reviews, to assess the society's operational performance and to establish strategies for achieving the targets set for each measure.

LSS recognizes data collection and validity as an important challenge. The society hires independent contractors to conduct all surveys and continues to review and improve its data sources to ensure reliability.

By setting targets and measuring results, LSS will increase public and government confidence that the society's work is helping people solve their legal problems. This will in turn enhance the overall efficiency and effectiveness of BC's justice system, reduce the burden on the social services sector, and contribute to sustaining key social values, including fairness, equality under the law, and compassion for those in need.

Benchmarks

Legal aid plans across Canada are structured differently and provide varying levels of service. These organizations have not yet developed a common method of gathering and analyzing information, or a standard system of performance measurement. However, we are working with other plans toward collecting comparable data in key areas of performance such as client satisfaction.

In conducting our client survey this year, LSS used questions from the "Common Measurements Tool" (CMT) so that we could benchmark our performance against like organizations through the Institute of Customer-Centred Service (ICCS), which maintains the CMT (see Glossary, page 50). Our performance on employee engagement is benchmarked by BC Stats against the BC public service (Goal 4, page 13). Where official benchmarks are not in place, we cite roughly comparable results from other legal aid plans.

Key risks affecting performance

In our service plan for 2007/2008, LSS identified six strategic issues posing risk for the society this year: public awareness and support, budget variance, lawyer recruitment and retention, moving to an outcomes-focused organization, and changes to the justice system. Table 2 (page 10) provides a summary of these risks and the principal steps taken to mitigate them.

Table 1 Performance at a glance

Measure	Past results	Results	Future targets		
	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
Overall public approval rating for LSS services (Goal 1)	93% overall public approval (Baseline set 2005: 89%)	Target (90%) exceeded: 93% overall public approval	>90%	>90%	>90%
Client satisfaction with the accessibility of LSS services (Goal 2)	New for 2007/2008	66% baseline set	Not measured	Not measured	70%
Client satisfaction with the helpfulness of LSS services (Goal 2)	New for 2007/2008	65% baseline set	Not measured	Not measured	69%
Client satisfaction with LSS advice and representation services (Goal 3)	New for 2007/2008	70% baseline set	Not measured	Not measured	To be determined
Tariff lawyer satisfaction with the support provided by LSS (Goal 3)	75% of tariff lawyers satisfied (Baseline set 2003/2004: 68%)	Not measured	Not measured	84%	Not measured
Overall LSS employee engagement score (Goal 4)	Not measured (Baseline set in 2004/2005: 72% of employees engaged)	Target (77%): results not available at time of publishing	Not measured	Not measured	To be determined
Budget-to-actual expenditure variance (Goal 5)	1.2% variance (Baseline set 2005: 3.9%)	Target (1.5%) not met: 2.7% variance	1.5%	1.5%	1.5%

Table 2 Key risks, 2007/2008

Issue	Risks	Key responses
Public awareness and support		
• In its third annual poll of BC residents conducted in March 2008, 85% of respondents said they were aware of legal aid services for low income people in BC • On the same poll, 93% of respondents said they support legal aid services, with 61% expressing strong support	• Potential clients are unaware of legal aid and therefore cannot access needed services • A lack of awareness of legal aid and justice issues on the part of government officials, as well as the general public, can reduce the society's access to public funding and its ability to promote justice system reform	• Expanded public awareness initiatives by increasing transit advertising and introducing public service announcements on radio and television (see Goal 1, page 12) • Continued a multi-year communications initiative to raise awareness of/support for legal aid among elected and public officials and other community leaders (see Goal 1, page 12) • Continued project to educate community partners in remote areas about LSS services (see Goal 2, page 12)
Budget variance		
• Sound fiscal planning is necessary to support requests for additional funding • To the extent that key initiatives are supported through reserve funds, ongoing funding will have to be secured once the reserve is depleted	• The society may not be successful in attracting new funding if it does not demonstrate exemplary fiscal planning and program operations • Without permanent funding, successful projects cannot be developed into permanent programs. Year-to-year funding also fosters uncertainty among clients, intermediaries, and staff that can reduce program effectiveness	• Enhanced planning and resource management and improved results reporting to guide decision making (see Goal 4, page 13) • Allocated reserve funds (see Glossary, page 50) to legal aid renewal initiatives • LSS submission to Select Standing Committee on Finance and Government Services recommended that the provincial government increase core legal aid funding by 2010 to sustain successful initiatives (see Financial Report, page 24)
Lawyer recruitment and retention		
• Despite increased tariff rates and improved tariff structures, the number of lawyers taking legal aid cases continues to decline, and LSS is experiencing difficulty placing legal aid cases in some communities, particularly in family law. Further, the strong BC economy generates opportunities for BC lawyers that compete with legal aid work	• The society may not attract or retain lawyers to take legal aid cases. This threatens the society's ability to provide the services that are necessary to ensure access to justice for clients	• Began a formal evaluation of LSS tariff renewal initiatives and launched a three-year project focused on recruitment of new tariff lawyers (see Goal 3, page 12)

Table 2 Key risks, 2007/2008

Issue	Risks	Key responses
Moving to an outcomes-focused organization		
• LSS must define desired client outcomes and develop ways to assess whether the society's services are achieving those outcomes	• Not measuring client outcomes means missing critical information necessary to evaluate the success of LSS services in meeting client needs	• Renewed our vision, mission, and values, and developed new goals, objectives, strategies, and measures focused on client outcomes (see page 4)
• Taking an outcomes-focused approach requires a shift in how LSS designs and delivers services	• Some staff and tariff lawyers may not value an approach that shifts LSS resources to clients' related needs, where LSS has limited influence and expertise	• Identified client participation in the process and helping them address their related non-legal needs as key to clients finding timely and lasting solutions. These are Goals 2 and 3 of the 2008/2009–2010/2011 LSS service plan (see Appendix 2, page 47)
	• Health and social services agencies may have insufficient resources to provide services to LSS clients when and where needed	• LSS submission to Select Standing Committee on Finance and Government Services recommended government facilitate integrated justice, health, and social services through a coordinated budgeting process that provides sufficient resources to all ministries to support these innovations (see Goal 1, page 12)
Changes to the justice system		
• Legislative and policy changes and government-initiated projects demand significant LSS staff and financial resources	• Devoting increasing resources to respond to changes in the justice system may limit the society's flexibility and capacity to provide innovative services for people with low incomes	• Worked with justice system partners to ensure new collaborative projects help people with low incomes find early and lasting solutions to their legal issues (see Goal 2, page 12)
		• Amendments to the LSS Act this year that broadened the society's mandate allowed LSS to expand its role in justice reform initiatives like the justice access centres (see LSS mandate, page 3, and Goal 2, page 12)

Table 3 Goals, objectives, strategies, and performance measures for 2007/2008–2009/2010

	Goals	Objectives	Strategies	Measures
1	There is broad-based support for legal aid	• Ensure public perceptions of legal aid are positive • Create a favourable environment for funding LSS	• Partner with stakeholders to promote public awareness of and support for LSS and its services • Use media, publications, and LSS websites to promote public discourse about legal aid as a public policy issue • Educate and inform elected and public officials and community leaders about legal aid, access to justice, and needed reform • Maintain consistent board contact with key stakeholders • Provide advice to the Attorney General on the legal aid system	• Overall public approval rating for LSS services
2	People with low incomes can access appropriate and effective legal information and application services	• Strengthen the capacity of community service partners to provide information and application services • Increase the accessibility of legal information services for people with low incomes • Increase the accessibility and cost-effectiveness of the LSS application process	• Review the current service delivery model for public legal information and education to assess efficiency and effectiveness • Integrate legal information and education services • Increase the availability of LSS application and information services • Develop a strategy to deliver more effective legal aid services to Aboriginal/First Nations communities • Identify outcome measures for the effectiveness of PLEI services	• Client satisfaction with the accessibility and effectiveness of LSS services
3	Low-income clients receive quality legal advice and representation services that are proportionate to their needs	• Reduce gaps in service • Increase lawyers' involvement and engagement in the delivery of legal aid • Increase the accessibility of advice services for people with low incomes • Develop and implement outcomes-based management for the Legal Advice and Representation Division and the tariff, in alignment with legal aid renewal	• Define and develop centres of expertise in criminal and civil law • Develop innovative projects to address gaps in advice and representation services • Explore the use of technology to involve lawyers across the province in providing advice services • Review and enhance the quality assurance program • Implement tariff renewal recommendations and evaluate outcomes • Identify outcome measures for advice and representation services	• Client satisfaction with LSS advice and representation services • Tariff lawyer satisfaction with support provided by LSS

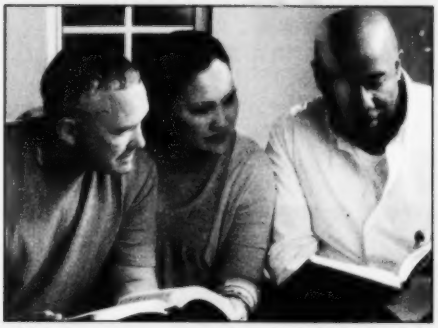


Table 3 Goals, objectives, strategies, and performance measures for 2007/2008–2009/2010

	Goals	Objectives	Strategies	Measures
4	Strategic and sustainable management of staff capacity and LSS services to meet the legal needs of people with low incomes	• Facilitate ongoing resource capacity management • Develop a process for implementing legal aid renewal in BC	• Implement a capacity management strategy • Create and implement an organizational development strategy • Complete implementation of recommendations from 2004/2005 employee engagement survey • Develop and implement a corporate reporting framework • Develop and implement a knowledge management strategy • Develop and implement an enterprise risk management strategy • Define and coordinate a process for determining desired legal aid client outcomes • Support managers to establish performance measures and reporting for strategic objectives	• Overall LSS employee engagement score
5	Effective management of LSS expenditures	• Strengthen policy compliance • Use technology to streamline processes and provide innovative services • Improve financial forecasting • Improve quality of tariff services	• Implement an information technology strategy to address long-range IT requirements • Implement an audit strategy • Develop and implement an internal review plan • Review budget process to improve accuracy of financial results • Define, develop, and implement a quality control program in a results-based environment	• Budget-to-actual expenditure variance

Note: The society's goals, objectives, and strategies were modified for 2008/2009–2010/2011. See Appendix 2 on page 47 and the *Legal Services Society Service Plan 2008/2009–2010/2011* online at www.lss.bc.ca (look under "About us," "Our reports").

Goal 1

There is broad-based support for legal aid.

This goal reflects the society's strategic priority to raise awareness of and support for LSS and its services among the general public, opinion makers, and legislators, as well as our clients and their advocates. Broad-based support for legal aid is necessary to sustain the legal aid system and promote access to justice for people with low incomes.

Performance measure: Overall public approval rating for LSS services (annual survey)

Past results		2007/2008 performance *(target exceeded)*		Future targets		
2005/2006	2006/2007	Target	Actual	2008/2009	2009/2010	2010/2011
89%	93%	90%	93%	>90%	>90%	>90%

Overall public approval rating measures the degree of public support for legal aid services.

Importance of this measure

The level of public approval of legal aid is a primary indicator of the value BC residents place on legal aid services and the contribution of these services to a fair and efficient justice system. This measure is linked to the level of public awareness of legal aid services, and helps demonstrate how LSS is meeting our mandate to facilitate access to justice for the people of BC.

Benchmark comparison

The most comparable data comes from opinion polls in 2006 by Legal Aid Ontario and Legal Aid Alberta based largely on the questions developed by LSS for its poll. The level of approval in BC is higher than the Ontario level of 85% and is approaching the Alberta result of 96%.

Data source

The data is gathered from an annual telephone survey conducted by Ipsos Reid as part of their monthly provincial omnibus survey. In March 2008, interviewers asked 730 people from across BC a series of 20 questions about legal aid. The margin of error is ± 3.6%, 19 times out of 20. Results from the 2008 poll are available at www.lss.bc.ca (look under "About us," "Our reports").

Results 2007/2008

- 93% of BC residents say they support LSS services, exceeding for the second consecutive year the society's target of 90% public approval. Strong support was expressed by 61% (up from 54% in 2006). LSS has now raised the target for public approval to >90%.
- 78% of BC residents say they agree that governments should give funding for legal aid the same priority as they give to funding for other health and social services. This is the same level of agreement as last year.
- Nearly all BC residents (85% to 96%, depending on area of law) believe providing legal aid to people with low incomes is very important or somewhat important to fairness in the justice system. In 2005, 2006, and 2008, 97% of respondents also strongly or moderately agreed that everyone should have the right to access the justice system.
- 85% of respondents said they were aware of legal aid services in BC.[1]

Performance highlights

LSS continued to raise awareness and sustain support for legal aid services among elected officials, community leaders, and the public. The society also advocated for justice reform through regular meetings with key stakeholders, the Attorney General, and senior ministry officials; submissions to the Select Standing Committee on Finance and Government Services; active involvement in the community forum in response to proposed changes in the Family Relations Act; participation in the Law Society of BC's task force on unbundling legal services (see Glossary, page 50); and formal submissions to consultations on the BC Justice Review Task Force's proposed new rules of civil procedure for Supreme Court, and the Canadian Bar Association Task Force on Conflicts of Interest. LSS also continued to work with the Justice Services Branch of the Ministry of Attorney General on the Nanaimo Family Justice Services Centre (see Goal 2, page 12).

[1] In 2005, 75% of respondents and in 2006, 79% of respondents said they knew very little, a fair amount, or a lot about legal aid. In 2008 the question was changed to ask respondents if they were aware that there are legal aid services for low income people in BC.

Objective: Ensure public perceptions of legal aid are positive

- The legal awareness campaign this year included advertisements on public transit in the Fraser Valley, Vancouver Island, Kootenays, Okanagan, Northern BC, and the Lower Mainland.
- LSS also launched its first ever public service announcements on television and radio with the pro bono support of a leading Vancouver advertising firm.

Objective: Create a favourable environment for funding LSS

- LSS met regularly with elected and public officials to increase understanding of the society's services and to provide accurate information about legal aid.
- At the national level, we worked with other legal aid plans to advocate for increased and more stable federal funding for criminal legal aid and to encourage federal funding of civil legal aid as an access to justice issue.

Future outlook

Promoting stakeholder engagement in our legal aid renewal initiatives will be a priority for 2008/2009. Starting next year, the society's three-year public awareness campaign will become an ongoing communications initiative to increase the visibility of and support for legal aid through advertising, meeting with elected and community leaders, media outreach, and other initiatives. We will also continue to collaborate with our justice system partners on reform efforts resulting from the reports of the Justice Review Task Force (see Glossary, page 50), such as development of justice access centres (see Goal 2, page 12) and the Downtown Vancouver Community Court (see Goal 3, page 12).

Goal 2

People with low incomes can access appropriate and effective legal information and application services.

This goal recognizes that access to legal aid services is a critical component of access to justice. Ensuring that we not only provide appropriate services but deliver them effectively to clients is a necessary step toward meeting our mandate and mission.

Performance measure: Client satisfaction with the accessibility and helpfulness of LSS services[1] (tri-annual survey)

Past results		2007/2008 performance (baseline set)		Future targets		
2005/2006	2006/2007	Target	Actual	2008/2009	2009/2010	2010/2011
New for 2007/2008	New for 2007/2008	n/a	Accessibility: 66% Helpfulness: 65%	Not measured	Not measured	Accessibility: 70% Helpfulness: 69%

[1] To get a meaningful measure of client satisfaction with the accessibility and helpfulness of LSS services, clients were asked about each aspect in individual questions. Results are reported separately.

Client satisfaction with the accessibility and helpfulness of LSS services measures the degree to which clients are satisfied with the steps they had to take to receive the legal aid services they needed and the effectiveness of these services in helping them solve their legal problem.

Importance of this measure

Sustaining or increasing the level of our clients' satisfaction with the accessibility and helpfulness of LSS services over time will show that the society is providing clients with the legal aid services they need when and where they need them, fulfilling our mandate to help people solve their legal problems and facilitate access to justice.

Benchmark comparison

LSS submitted survey results to the Institute of Customer-Centred Service (ICCS) for benchmarking. The society's accessibility rating (3.9 out of 5.0) is in line with the average rating (4.1 out of 5.0) for like Canadian public sector organizations, including other legal aid plans, who provide data to ICCS.

Data source

In April and May 2007, Synovate, an independent survey organization, interviewed 1,582 legal aid clients by telephone about their experiences with the legal aid services they received. The margin of error at the 95% confidence level ranges from +/-2.5% for all clients and varies from +/- 4.4 to +/-5.9% for specific client groups. The full survey report is available online at www.lss.bc.ca (look under "About us," "Our reports").

Results 2007/2008

- Satisfaction with the helpfulness of LSS services in dealing with their legal problems is strong for all client groups, with clients who received representation services expressing the highest satisfaction (77% giving high ratings).
- Satisfaction with the accessibility of LSS services tends to be higher among those clients who contacted LSS in person rather than over the phone. LawLINE client satisfaction with accessibility, at 51%, was significantly lower than that of other client groups.
- Despite differences in satisfaction, how clients prefer to apply for legal representation seems to be linked with how they actually applied. Family duty counsel clients say they would prefer to apply at an office, while LawLINE clients prefer the telephone and clients who received representation services are divided (41% prefer the phone, and 36% prefer an office).
- Overall satisfaction with LSS services is significantly higher for clients who were eligible for legal representation (76% highly satisfied) than for those who did not qualify (32% highly satisfied).

Performance highlights

LSS continued to work in partnership with the Ministry of Attorney General to establish two pilot justice access centres (see Glossary, page 50). In 2007/2008 this work involved managing and evaluating the Nanaimo Family Justice Services Centre and planning its expansion into a full civil justice access centre in 2008. These centres will examine the viability of the access centre model: a single location where people can get a range of legal information, advice, mediation, and other services that will help them resolve their legal problems early and out of court, if possible.

Objective: Strengthen the capacity of community service partners to provide information and application services

- LSS partnered with community agencies in remote locations to provide outreach activities designed to increase local advocates' and lawyers' awareness of LSS family law services. The outreach promoted LSS services, provided training for identified local needs, and facilitated community development.

Objective: Increase the accessibility of legal information services for people with low incomes

- LSS expanded legal information outreach worker (LIOW) services in Nanaimo, Surrey, and Kamloops to meet increasing demand.
- To reach clients with limited literacy in English, we created and published innovative multimedia and multilingual legal education material, such as videos and audio clips, on our Family Law in BC and main LSS websites. The number of visitors to our Family Law website grew by more than one-third in 2007/2008 (see Appendix 1, page 41).
- As part of legal aid renewal, LSS initiated a three-year project to adapt and expand current programs and to pilot projects to meet the unique needs of Aboriginal clients. In consultation with Aboriginal communities, the project will review and implement recommendations from the *Building Bridges* report of the society's Aboriginal Legal Services Project, released in summer 2007.[2]
- LSS significantly reduced wait times for LawLINE clients this year by introducing changes to the recorded messages to give clients more information up front, and by diverting callers with family law issues to LSS regional centres when possible, so they can access services in their own communities.

Objective: Increase the accessibility and cost-effectiveness of the LSS application process

- LSS partnered with the Native Courtworker and Counselling Association of BC to test the viability of using electronic legal aid applications in circuit court locations to reduce barriers faced by Aboriginal clients applying for legal aid. Project results, available in early 2008/2009, will help us determine whether to expand the service to other locations and client groups.
- Since January 2008, LSS has introduced intake services at Smithers, Fort St. James, Vanderhoof, and Penticton Courthouses, bringing the society's courthouse locations to 24 across BC. Increasing courthouse intake is part of a strategy to put legal aid services where clients need them. Client survey results show that courthouses are the most common source of legal aid awareness for clients.

Future outlook

As part of legal aid renewal, on April 1, 2008, we introduced our first annual cost-of living adjustment to financial eligibility guidelines to protect potential clients from becoming ineligible due to inflation. In summer 2008, LSS will implement a triage model for the society's call centre that will enable intake staff to assess and direct all phone clients to the most appropriate legal aid service. This should increase efficiency and further reduce wait times for callers, an area of low satisfaction for clients.

We will continue to work with the Ministry of Attorney General in 2008/2009 to establish justice access centres in Nanaimo and Vancouver, and, in the context of legal aid renewal, explore partnerships with other agencies that will help us connect our clients with needed services. Extending the intake hours at some courthouse locations as well as establishing new locations will also be explored.

In 2008/2009, LSS will continue to work with the Public Legal Education and Information Network (formerly the Public Legal Education and Information Working Group) to create a "portal" website for public legal education. We plan to further expand LIOW services; evaluate our new multimedia services; introduce new features and a fresh look for our corporate website; and revise PLEI materials as necessary to reflect changes to the Supreme Court Family and Civil Law Rules.

[2] *Building Bridges: Improving Legal Services for Aboriginal Peoples* makes comprehensive and positive recommendations for changes to Aboriginal legal services based on consultations with Aboriginal elders, leaders, workers, and lawyers across BC. It is available online at www.lss.bc.ca (look under "About us," "Our reports").

Goal 3

Low-income clients receive quality legal advice and representation services that are proportionate to their needs.

Goal 3 demonstrates our commitment to providing innovative services that meet client needs within our mandate and resources. It also underscores the need for the society to establish a tariff system that encourages lawyers to take legal aid cases, supports lawyers in providing quality services, and promotes better results for legal aid clients, LSS, and the justice system.

Performance measure: Client satisfaction with LSS advice and representation services (tri-annual survey)

Past results		2007/2008 performance (baseline set)		Future targets		
2005/2006	2006/2007	Target	Actual	2008/2009	2009/2010	2010/2011
New for 2007/2008	New for 2007/2008	n/a	70%	Not measured	Not measured	To be determined

Client satisfaction with LSS advice and representation services measures the degree to which clients are satisfied with the help provided by the legal advice and representation services they received.

Importance of this measure

Sustaining and increasing client satisfaction with our advice and representation services will show that clients are getting the help they need to solve their legal problems, and that we are fulfilling our mandate to help people solve their legal problems and facilitate access to justice.

Benchmark comparison

LSS submitted survey results to the Institute of Customer-Centred Service (ICCS) for benchmarking. The society's satisfaction rating (4.0 out of 5.0) matches the average rating for like Canadian public sector organizations, including other legal aid plans, that provide data to ICCS. Compared directly, our result of 70% is lower than Legal Aid Ontario's (LAO) overall client satisfaction result of 90% to 95% in 2006. LAO uses a short paper exit survey for clients visiting legal aid offices, while we used a longer telephone survey of clients who accessed our representation, advice, information, and application services, in person and on the phone.

Data source

In April and May 2007, Synovate, an independent survey organization, interviewed 1,582 legal aid clients by telephone about their experiences with the legal aid services they received. The margin of error at the 95% confidence level ranges from +/-2.5% for all clients and varies from +/- 4.4 to +/-5.9% for specific client groups. The full survey report is available online at www.lss.bc.ca (look under "About us," "Our reports").

Performance measure: Tariff lawyer satisfaction with support provided by LSS (tri-annual survey)

Past results		2007/2008 performance *(not measured)*		Future targets		
2005/2006	2006/2007	Target	Actual	2008/2009	2009/2010	2010/2011
Not measured	75% (Target: 72%)	n/a	Not measured	Not measured	84%	Not measured

Tariff lawyer satisfaction with support provided by LSS measures the degree to which lawyers taking legal aid referrals are satisfied with how LSS supports them in providing services to legal aid clients.

Importance of this measure

Maintaining a supply of dedicated and skilled lawyers willing to take legal aid cases is essential to providing quality advice and representation services to clients. Increasing levels of lawyer satisfaction should reduce the risk that LSS will be unable to find skilled lawyers to take referrals for all eligible clients.

Benchmark comparison

LSS has no official benchmark data from other legal aid plans. However, 80% of lawyers responding to the 2006 Legal Aid Ontario (LOA) satisfaction survey reported high satisfaction with LAO's services, suggesting that our target of 84% lawyer satisfaction for 2009/2010 is reasonable.

Data source

Data is gathered from a tri-annual survey conducted by PME Inc., an independent survey organization. The full report from the 2007 Tariff Lawyer Satisfaction Survey is available online at www.lss.bc.ca (look under "About us," "Our reports").

Results 2007/2008

- Clients who receive advice and representation services are the most satisfied of all LSS client groups. Between 70% and 80% of clients who received representation gave high positive ratings to being treated fairly by their lawyer, being informed about what they had to do, their lawyer going the extra mile, and being able to get in touch with their lawyer. (Results for duty counsel, intake, and LawLINE clients were slightly lower in some areas but generally in line with CMT averages.) When asked if they feel they were well represented by their lawyer, between 69% and 83% of clients said yes, depending on the client group.
- 61% of clients who received representation services say they feel positive about the likely or actual results of their case. Overall, clients' perceptions of case outcomes are more positive if they qualified for legal representation than if they did not.
- The number of lawyers taking referrals in 2007/2008 fell to 902 from 931 in 2006/2007, continuing an annual decline of about 3–4% since 2003. We have begun work on a method to better track and forecast the number of lawyers available to take legal aid cases regionally, to ensure we are able to provide our clients across BC with quality representation services.

Performance highlights

This year, LSS began the research and planning phases of legal aid renewal projects that aim to revitalize the society's lawyer supply and introduce an integrated approach to helping clients find lasting solutions to their legal problems. These services also maintain our emphasis on early intervention, providing services that are proportionate to client needs, and encouraging mediation or other non-adversarial resolutions, where appropriate.

Objective: Reduce gaps in service

- LSS continued its collaborative initiative with the Ministry of Children and Family Development and Ministry of Attorney General to pilot local alternative dispute resolution (see Glossary, page 50) projects in child protection proceedings. Agreements for two new projects in Northern BC were signed this year.
- LSS began work on projects promoting integrated services in criminal and civil law as part of legal aid renewal. These projects will develop tools and test approaches to helping clients address their related issues so that solutions to their legal problems can be more effective and lasting.

- The society participated in the development of the Ministry of Attorney General's Vancouver Downtown Community Court project, hiring lead defense counsel for the court now scheduled to open in 2008/2009. This project brings together justice, health, and social service agencies to seek effective solutions to crime in the downtown core and provides the society and the ministry experience integrating services.

Objective: Increase lawyers' involvement and engagement in the delivery of legal aid

- We launched legal practice groups in family and criminal law to centralize and develop our legal expertise, strengthen our community liaison work, and enhance the quality of legal aid services. Practice group lawyers have been actively engaging with the local bar and organizations, and supporting the society's public legal education team on the development of materials. The civil legal practice group, to be formally launched next year, has begun outreach work at conferences, responding to proposed justice system reforms, and networking with community groups.
- In January, LSS began the research phase of a legal aid renewal project to develop and implement lawyer recruitment and retention strategies.
- As part of its ongoing quality assistance program for lawyers, LSS produced an orientation manual to support lawyers new to taking legal aid referrals. The society also began implementing recommendations from the 2006/2007 lawyer survey, such as providing more immediate in-person responses to calls and sorting requests so that lawyers work consistently with the same case management assistant.

Objective: Increase the accessibility of advice services for people with low incomes

- Call volume increased during the year for the society's telephone advice counsel project to give accused people in custody awaiting bail hearings access to legal advice on evenings, weekends, and holidays, though volume remains low. A qualitative evaluation indicates that advice counsel provide a valuable service and it attributes the low number of calls to prisoners' lack of awareness of the service. The project will continue into 2008/2009.
- Demand continues to grow for the Community Advocate Support Line, a pilot phone service launched in 2006 to provide timely summary legal advice and support for advocates throughout BC who, in turn, help clients with poverty and family law issues.
- LSS enhanced Brydges Line service this year by establishing a roster of senior lawyers to provide additional advice to people accused of murder, attempted murder, or manslaughter. The Brydges service provides very brief emergency advice over the phone to clients who are arrested, detained, or under active investigation by the police.

Objective: Develop and implement outcomes-based management for the Legal Advice and Representation Division and the tariff, in alignment with legal aid renewal

- This year LSS began to formally assess the impact of tariff renewal measures introduced since 2005 on lawyers' commitment to taking legal aid referrals, as well as the effectiveness of these changes in encouraging early and alternative dispute resolutions to cases. Results of this evaluation will not be available until next year; however, on the 2006/2007 tariff lawyer survey, 54% of lawyers agreed that the society's tariff renewal measures to date had made it more likely for them to take legal aid referrals, while 27% partly agreed/partly disagreed.

Future outlook

Legal aid renewal projects to develop integrated services and enhance our lawyer supply will be a priority in 2008/2009. LSS will also further develop the role of legal practice groups in providing outreach services to the private bar and other justice system partners in support of legal aid renewal and our service plan goals. The society's work with the ministry on justice access centres will also increase the accessibility of quality advice and representation services for our clients.

We also anticipate playing a role in bail reform initiatives proposed for 2008/2009. These may include developing province-wide telephone and video duty counsel services that would allow counsel to provide advice to clients and to participate in video bail hearings outside of normal business hours.

Goal 4

Strategic and sustainable management of staff capacity and LSS services to meet the legal needs of people with low incomes.

Goal 4 recognizes that all organizations must manage internal capacity to meet strategic objectives. It also identifies LSS employees as one of the organization's key strengths.

Performance measure: Overall LSS employee engagement score (tri-annual survey)						
Past results		2007/2008 performance		Future targets		
2005/2006	2006/2007	Target	Actual	2008/2009	2009/2010	2010/2011
Not measured	Not measured	77%	Results not available at time of publication	Not measured	Not measured	To be determined

Overall LSS employee engagement score is a composite rating that includes employee commitment, job satisfaction, and organization satisfaction. It measures the society's performance in providing employees with the resources necessary to perform their duties and contribute to the society's goals and their own well-being.

Importance of this measure

Research indicates that a high level of employee engagement is related to improved service for clients. Engaged employees are also more likely to stay with the organization. Increasing our engagement score over time will show that we are enhancing our ability to retain highly skilled employees and, in turn, efficiently provide quality legal aid services.

Benchmark comparison

Benchmark data for the 2007/2008 survey was not available at time of publication. In 2004/2005, the society's baseline employee engagement score of 72% exceeded the 64% overall employee engagement score for the BC public service for that year.

Data source

Data is gathered from a tri-annual employee Work Environment Survey conducted by BC Stats. In March 2008, 89% of LSS employees participated in the online survey.

Results

BC Stats was unable to provide LSS with the 2008 Work Environment Survey results in time for this annual report. Since measuring LSS employee engagement in 2004/2005, BC Stats has refined its employee engagement model, changed the wording of some of the survey questions, and adjusted how the engagement score is calculated and reported. This means some of the survey data, including the engagement score, may not be directly comparable with 2004/2005 results. LSS will report fully on these results next year.

Performance highlights

Employees at LSS are recognized for their skill and commitment to helping clients solve their legal problems. This year, the society introduced a leadership development program designed to build the leadership capability of all employees. The full program may include formal training sessions, action learning groups, and secondments/acting assignments.

Opportunities for career development increased at LSS in 2007/2008, with internal promotions rising to 20 from 16 in 2006/2007. In 2007/2008, 55% of all employees worked with their supervisors to develop performance plans.

Absentee rates dropped for all employee groups this year, continuing a decline that began after LSS introduced an attendance management program in 2004. The average overall LSS absentee rate in 2007/2008 was 6.88 days, compared with 8.47 days in 2006/2007.[3]

[3] These rates exclude leaves greater than four weeks. By employee group, the average absentee rate in 2007/2008 was 8.01 days for BC Government Employees Union members; 3.91 days for exempt staff, and 4.84 days for Professional Employee Association members.

Objective: Facilitate ongoing resource capacity management

- In early 2007/2008, LSS introduced a capacity management plan that included a review of the society's project management office. In response to this review, LSS established a more rigorous project management process to improve planning and resource management.
- The society identified the components of a corporate risk management strategy and started a plan for implementation in 2008/2009. We also initiated a review of an organization-wide knowledge management strategy.
- To increase application processing speed and ensure policies are applied more consistently across the province, LSS launched a user-friendly online Intake Policies and Procedures (IPP) manual in June 2007.
- LSS built a data mart for core operational data to speed the production of corporate reports, and began development of a full data warehouse. By bringing together data from the society's financial, human resources, and client data systems, the data warehouse will enable centralized, faster, and more detailed analysis to support corporate decision-making.

Objective: Develop a process for implementing legal aid renewal in BC

- In consultation with staff, we developed new vision, mission, and values statements, a logic model, and new goals, objectives, and strategies to carry out legal aid renewal in BC. Key legal aid renewal projects—designed to develop resources, skills, partnerships, and best practices for integrating services—were also selected and funded.

Future outlook

Identifying recruitment and retention strategies to help LSS sustain staff capacity will be a priority for 2008/2009. Further enhancements to project and resource management processes may be necessary to help managers effectively carry out our legal aid renewal projects as well as our day-to-day service delivery. We will also respond to recommendations from the 2008 Work Environment Survey, continue the leadership development program, evaluate the effectiveness of the performance planning process, and introduce an orientation program for new staff.

Goal 5

Effective management of LSS expenditures.

This goal highlights the importance of sound financial forecasting, accounting, and auditing processes to meeting our mandate, and emphasizes our accountability for administering our limited resources.

Performance measure: Budget-to-actual expenditure variance (annual)

Past results		2007/2008 performance (target not met)		Future targets		
2005/2006	2006/2007	Target	Actual	2008/2009	2009/2010	2010/2011
Baseline set: 3.9%	1.2%	1.5%	2.7%	1.5%	1.5%	1.5%

Budget-to-actual variance measures how well we are managing our expenditures.

Importance of this measure

Maintaining a low budget-to-actual expenditure variance will demonstrate that we are managing expenditures effectively so that we can make timely use of available funds for client services.

Benchmark comparison

LSS has no comparable data from other legal aid plans.

Data source

The data is gathered from the LSS internal financial system data. All data is reviewed by external auditors.

Budget-to-actual expenditure variance calculation, 2007/2008	
Actual total expenditures per Statement of Operations (see page 33)	$ 78,121,990
minus Exceptional cases	4,530,274
Immigration	1,491,151
Law Foundation-funded projects	283,897
	$ 71,816,668
Approved expenditure budget	74,326,000
minus Exceptional cases	2,700,000
Immigration	1,700,000
	$69,926,000
Variance = 1 – (actual/budget)	**2.7%**

Results

LSS approved distribution of grants at the end of the year that increased budget-to-actual expenditure variance to 2.7%. These grants were funded by additional unanticipated revenue from the Notary Foundation.

Performance highlights

Revenue exceeded expectations by $2.8 million in 2007/2008, including $2.3 million of unplanned funding from the Notary Foundation (see Foundation grants, page 25). LSS was able to use the additional revenue during the fiscal year to provide a technology grant to tariff lawyers and a facilities grant to local agents; to distribute a retention bonus to staff; and to establish a legal aid research fund with the Law Foundation. Without these increased expenditures, the variance would have been 0.9% for the year. A commitment by the Notary Foundation to provide more accurate projections should minimize the unanticipated revenue LSS receives from them in future years.

Objective: Improve financial forecasting

- LSS continued a multi-year strategy to work with departments to increase the accuracy of and management accountability for financial results. Key lead budget indicators were established, and a budget analyst is now in place to support budget development and tracking.
- The coordination of service planning and budget processes this year by the provincial government facilitated better strategic alignment of our budget forecast for 2008/2009.

Objective: Strengthen policy compliance

- A feasibility study completed for LSS by Deloitte & Touche this year shows LSS is unlikely to break even financially from a client contributions program, making such a program cost-prohibitive at this time. LSS is now reviewing the existing collections program to maximize its effectiveness.
- LSS completed the first year of a revised audit program, which emphasizes risk management and continuous improvement in both lawyers' billing practices and the society's internal policies and procedures. Issues identified through audit work are tracked, analyzed, and flagged for any necessary follow-up.

Objective: Use technology to streamline processes

- Over 60% of lawyers now use electronic funds transfer and 78% use e-billing (86% of our invoices). Lawyers who use e-billing are paid twice as quickly, on average, as those who are not yet using this system.
- Business analysts introduced in each division this year are helping departments effectively apply IT solutions to achieve organizational objectives.
- By consolidating application support into a single external contractor last year, we had available resources in 2007/2008 to establish a program to enhance our IT systems, keeping them current with changes in the business.

Future outlook

Implementation of the new finance system and development of a new forecasting system will take place early in 2008/2009, helping LSS improve internal financial reporting as well as budget planning and monitoring. The workflow of tariff accounts will also be enhanced using electronic systems. The society plans to replace staff computers (and donate the used computers to not-for-profit agencies), and update back-end computer infrastructure with less power-intensive "green" systems. Another priority will be providing the necessary software for the planned telephone triage system for intake and LawLINE staff.

This year—the first of a planned four years of deficit spending by LSS—marked a financial turning point for the society. Although revenue continued to grow, spending initiatives resulted in a $1.9 million deficit at the end of the year.

The following discussion of the society's financial condition for the year ending March 31, 2008, should be read in conjunction with the society's audited financial statements. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations. LSS is accountable for how it uses all its funding under the Budget Transparency and Accountability Act.

Management discussion and analysis

Reserve

At March 31, 2008, the society's total reserve was $13.1 million.

The total reserve includes $1.6 million invested in capital assets, $0.2 million internally restricted for alternative dispute resolution pilot projects in the area of child protection, and $11 million restricted by the board, leaving $0.3 million unrestricted.

Resource allocations

LSS allocated $53.8 million—or 72.4%—of its budget to contracted representation services this year. Salaries and benefits comprise the next largest budget item at $14.1 million or 18.9%. Expenses for building leases and amortization amounted to $2.7 million or 3.7%. All other costs totalled $3.7 million or 5.0%.

At March 31, 2008, there were 100 full-time equivalent positions allocated to direct client support and 81 to general administrative support.

Revenue

The society's revenues were $76.2 million this year, up $1.9 million from 2006/2007. Table 4, page 25, shows LSS revenue for 2007/2008.

Provincial funding

The provincial government provides the largest portion of the society's revenue. This funding is subject to a three-year Memorandum of Understanding (MOU) between LSS and the Attorney General.

The MOU outlines the anticipated funding for each year and the priorities for its use. It also defines exceptional matters and establishes a stable process for funding them. Provincial revenue for these cases is deferred for use in future years to the extent that it is not required for actual costs incurred during the year (see Tariff expenses, page 25). The MOU allocates specific amounts for representation in each area of law, public legal education and information services, and strategic initiatives, and sets out priorities for reallocating surpluses to shortfalls among budget categories during the year. The society's obligation to provide services is limited to the funding allocated in the MOU for each specific area.

Federal funding

Under federal-provincial contribution agreements, the federal government reimburses the provincial government for some legal aid costs. Prior to April 1, 2007, the agreement included a Federal Investment Fund program (see Glossary, page 50) that provided $2.647 million to LSS for extended services in the criminal tariff. This fund has been consolidated into the new agreement with money being provided to the province. The province has agreed to increasing LSS funding equal to the amount it receives from the federal government. There will be no funding impact on LSS.

In addition, the federal government contributes up to $900,000 each year for immigration tariff expenditures in excess of $800,000 and up to $650,000 for large federally prosecuted cases based on actual expenses. These funds are transferred from the federal government to the province and then to LSS. For this fiscal year, LSS has recorded revenue in the amounts of $691,151 for immigration and $128,358 for large federal cases.

Table 4 Legal Services Society revenue, 2007/2008				
Revenue	**Actual**	**%**	**Budget**	**%**
Core provincial government funding[1]	$ 67,019,770	87.9	$ 66,005,000	89.8
Law Foundation grant	3,274,500	4.3	3,720,000	5.1
Notary Foundation grant	3,768,367	5.9	1,500,000	2.0
Investments	1,423,537	1.9	1,150,000	1.6
Other [2]	467,636	.6	1,101,000	1.5
Law Foundation project grants	283,897	.4		
Total	**$ 76,237,707**	**100.0**	**$ 73,476,000**	**100.0**

[1] The variance between actual and budget amounts for core provincial funding is due primarily to an additional $100,000 in revenue for drug court, an additional $979,000 for exceptional cases, and $209,000 less than expected revenue for immigration.

[2] Other includes publishing revenue, administrative fees, etc.

Foundation grants

Both the Law Foundation and the Notary Foundation provide annual grants to LSS with revenue earned on trust funds held by their members. Since these funds are not included in the MOU, we can allocate them at our discretion, provided the spending meets our objectives.

The Notaries Act requires the Notary Foundation to contribute 55% of their interest revenue to the society. The foundation provided $3.77 million to LSS in 2007/2008, $2.3 million more than budgeted and $1.1 million more than the year before.

The Law Foundation provided the society with $3.3 million in base funding and $0.8 million in project funding. Project funds are initially recorded as deferred contributions and then as revenue when actual project costs are incurred. Of the project funds, $0.3 million was included as revenue and $0.5 million was included in deferred capital contributions, and $60,000 was included in deferred contributions.

Investments

The majority of the society's available cash is invested under the LSS board's investment policy, which permits the society to invest in low-risk securities or pooled funds. Effective April 1, 2007, LSS implemented the new reporting requirements for financial instruments. This required LSS to categorize the investments for revenue recognition and reporting costs (see Notes to the Financial Statements, page 35, for more information). The total revenue for the year was $1.4 million, the same as 2006/2007.

Other revenue

Other sources of revenue for 2007/2008 include payment for administrative services LSS provides to the Ministry of Attorney General for out-of-mandate cases, funding from the Department of Justice for federal out-of-mandate cases, and a deferred contribution from the Ministry of Children and Family Development for child protection mediation projects.

Expenses

The society's expenses increased to $78.1 million this year, compared to $72.2 million in 2006/2007. Of this increase, $2.4 million was for grants and contracted services, $1.9 million for tariff, and $1.2 million for salaries and benefits. Table 5 on page 26 shows LSS expenses for 2007/2008. Tables 7 to 12 on pages 27–28 summarize the society's expenses for the past five years.

Tariff expenses

The growth in tariff expenses this year resulted from a $1.8 million increase in exceptional case costs. These cases are budgeted at $2.7 million per year. Costs in excess of this budget are first applied to any surplus in the criminal tariff, then the balance is applied against the deferred contribution. Expenses for the year totalled $4.5 million, resulting in $0.85 million applied to the criminal tariff and $0.98 million to the deferred contribution, leaving a balance of $0.99 million for future years.

To determine the costs for tariff and duty counsel, the society estimates the liability for services provided by the private bar. To arrive at this figure, LSS uses an actuary's model that includes actual costs based on invoices received and estimated costs for work on all unbilled referrals made during the fiscal year. The calculation is 90% accurate, 19 times out of 20. The estimated tariff liability at the end of 2007/2008 is $11.9 million.

Salaries and benefits

Salaries and benefit costs are subject to collective agreements negotiated and agreed to prior to March 31, 2006. These agreements were approved and funded by the provincial government. During 2007/2008 LSS received $950,000 for the increased cost of these agreements.

In February 2008 the board of directors approved a one-time retention bonus of up to $2,000 per full time employee paid on March 31, 2008, for a total of $375,000.

Grants and contracted services

In February 2008 the board of directors approved a technology grant to tariff lawyers of up to $2,000 per lawyer. To qualify, lawyers had to agree to use both e-billing and Electronic Funds Transfer, and to accept 12 referrals or half of the referrals requested by the society. LSS gave grants to 525 lawyers, for a total cost of $1.05 million. The board also approved a technology grant of up to $8,000 for the society's local agents to help them provide more effective intake services. All 20 local agents received a grant, for a cost of $100,000.

Risks

Unexpected service costs resulting from legislative and policy changes and government-initiated projects posed an increasing financial risk for LSS. Shortened provincial government budget timelines also negatively impacted budget accuracy.

LSS also faced ongoing uncertainty in revenue from non-government sources that are subject to fluctuations in the general economy. Revenue directly attributed to interest rates and general economic conditions increased by $1.2 million to $5.2 million in 2007/2008.

High exceptional case costs in 2007/2008 significantly reduced the society's deferred contribution. It is difficult to accurately forecast the number and type of exceptional cases and the resulting costs LSS will face in any year, and a smaller deferred contribution places the society at increased risk of being unable to fund large cases.

Long-term funding for immigration/refugee legal aid also continued to be a concern for the society. Although $1.7 million in provincial and federal funding was available in 2007/2008, to date no funding commitments have been made for these services beyond March 31, 2009.

Future outlook

The provincial government approved the society's 2008/2009 operating budget in February 2008. This budget included $2.6 million for legal aid renewal initiatives and a $0.4 million operating deficit for a total deficit of $3.0 million. The society, working with the Ministry of Attorney General, is requesting deficit authorization in amounts of $4.96 million for 2009/2010 and $5.3 million for 2010/2011. Projected budgets are shown in table 6 on page 27.

In future years, as the reserve is exhausted, LSS will have to find additional revenues to maintain programs and services. Failure to secure funding will result in the termination of programs, reduction of services, or accumulation of a net deficit. The accumulation of a net deficit is currently not allowed under the LSS Act.

Table 5 Legal Services Society expenses, 2007/2008

Expenses	Actual	%	Budget	%
Contracted representation	$ 54,584,373	70.0	$ 53,810,000	72.4
Salaries and benefits	14,340,516	18.3	14,059,688	18.9
Building and amortization	2,751,071	3.5	2,722,415	3.7
All other costs	6,446,030	8.2	3,733,897	5.0
Total	**$ 78,121,990**	**100.0**	**$ 74,326,000**	**100.0**

Table 6 Financial outlook

	2007/2008 Actual	2008/2009 Projected	2009/2010 Projected
Revenue (all sources)	$ 76,237,707	$ 76,626,000	$ 76,828,000
Expenses			
Contracted representation services and support (tariff support, etc.)	54,584,373	57,101,000	57,720,000
Strategic initiatives and other expenses	23,537,617	22,514,000	24,063,000
Total expenses	$ 78,121,990	$ 79,615,000	$ 81,783,000
Surplus (deficit)	(1,884,283)	(2,989,000)	(4,955,000)

Revenue and expenses, 2003/2004–2007/2008

Table 7 History of revenue and expenses

	2007/2008	2006/2007	2005/2006	2004/2005	2003/2004
Revenue	$ 76,237,707	$ 74,362,120	$ 71,284,730	$ 64,676,570	$ 71,131,172
Expenses	78,121,990	72,216,825	66,809,807	60,623,079	69,210,287[1]
Excess revenue over expenses	(1,884,283)	2,145,295	4,474,923	4,053,491	1,920,885
Fair market value adjustment	(11,713)[2]	–	–	–	–
Reserve (deficit)	$ 13,109,848	$ 15,005,844	$ 12,860,549	$ 8,385,626	$ 4,332,135

[1] Expenses for 2003/2004 consist of expenses from operations ($62,233,661) plus the change in estimate for tariff accrual ($6,637,859) minus recoveries of transition costs ($406,969).

[2] See Statement of Changes in Net Assets, page 32.

Table 8 History of operating expenses: Legal aid offices

	2007/2008	2006/2007	2005/2006	2004/2005	2003/2004
Regional centres	$ 5,207,073	$ 5,373,664	$ 5,343,847	$ 5,260,904	$ 4,715,833
Local agents	852,639	704,608	711,300	700,200	719,250
Contracted services[1] and advice lawyers	1,384,623	1,344,696	1,297,502	1,149,338	1,094,341
Brydges Line	483,000	624,583	366,000	338,172	243,538
Total	**$ 7,927,335**	**$ 8,047,551**	**$ 7,718,649**	**$ 7,448,614**	**$ 6,772,962**

[1] Contracted services include the Community Legal Assistance Society and West Coast Prison Justice Society.

Table 9 History of operating expenses: Client programs

	2007/2008	2006/2007	2005/2006	2004/2005	2003/2004
Appeals	$ 608,871	$ 598,362	$ 541,456	$ 488,942	$ 501,077
Community Services	1,803,890	1,702,110	1,533,948	1,731,988	1,965,441
Public Legal Education and Information	1,973,192	1,907,504	1,632,970	1,536,267	1,593,245
Total	**$ 4,385,953**	**$ 4,207,976**	**$ 3,708,374**	**$ 3,757,197**	**$ 4,059,763**

Table 10 History of operating expenses: Service delivery support

	2007/2008	2006/2007	2005/2006	2004/2005	2003/2004
Tariff, Audit and Investigation	$ 2,399,613	$ 1,970,028	$ 2,177,157	$ 1,654,241	$ 1,401,693
Field Operations[1]	–	–	–	573,860	836,740
Total	**$ 2,399,613**	**$ 1,970,028**	**$ 2,177,157**	**$ 2,228,101**	**$ 2,238,433**

[1] Field Operations includes reciprocals. In 2005/2006, Field Operations was eliminated during an internal reorganization, and expenses were distributed throughout the society.

Table 11 History of operating expenses: Management and administration

	2007/2008	2006/2007	2005/2006	2004/2005	2003/2004
Human Resources, Policy, and Planning[1]	$ 2,343,298	$ 2,114,426	$ 1,342,856	$ 699,424	$ 760,605
Finance and Corporate Services	7,355,976[2]	4,461,672	4,410,585[3]	4,201,273	2,615,210
Information Technology	2,292,288	1,932,705	1,994,321	1,779,929	2,001,973
Communications	115,806	$80,463	92,729	78,776	62,265
Depreciation	984,584	1,043,581	1,124,997	958,398	745,736
Total	**$ 13,091,952**	**$ 9,632,847**	**$ 8,965,488**	**$ 7,717,800**	**$ 6,185,789**

[1] In 2005/2006, the Policy, Planning, Human Resources, and Training departments were combined during an internal reorganization. Amounts for prior years include Human Resources and Training only.

[2] The 2007/2008 amount for Finance and Corporate Services includes $2.525 million for one time spending as a result of increased funding from the Notary Foundation.

[3] The 2005/2006 amount for Finance and Corporate Services includes $660,000 for an early contract settlement incentive payment.

Table 12 History of operating expenses: Tariff[1]

	2007/2008	2006/2007	2005/2006	2004/2005	2003/2004
Criminal	$ 24,403,277	$ 24,892,578	$ 23,268,162	$ 21,370,625	$ 27,349,175
Family	8,399,588	7,748,648	7,071,015	5,535,663	6,432,371
CFCSA	4,226,431	4,443,968	3,777,742	3,527,608	3,563,404
Immigration	1,491,151	1,223,767	1,047,402	760,437	3,647,560
Exceptional matters	4,306,686	2,510,899	2,031,346	1,681,900	2,741,705
Duty counsel[2]	6,798,153	6,683,606	6,166,008	5,639,730	5,014,337
Human rights[3]	(24,847)	8,682	68,441	4,901	26,373
Transcripts	672,839	735,124	740,106	916,285	952,918
Pro bono disbursements[4]	(49,892)	(632)	(34,462)	(77,695)	109,153
Staff case disbursements	93,751	111,783	104,379	111,913	116,344
Total	**$ 50,317,137[5]**	**$ 48,358,423**	**$ 44,240,139**	**$ 39,471,367**	**$ 49,953,340**

[1] Tariff expenses consist mainly of fees and disbursements payable to private lawyers for services performed in 2007/2008.

[2] In this table, duty counsel consists of payments for criminal duty counsel, circuit courts, and family duty counsel, but not payments for immigration duty counsel, Brydges Line, and advice lawyers. Payments for immigration duty counsel are included in Immigration; payments for Brydges Line and advice lawyers are included in table 8 on page 27. The duty counsel amount in the Statement of Operations on page 33 includes payments for all duty counsel types.

[3] Human rights coverage was eliminated as of April 1, 2002, due to funding cuts to the BC Human Rights Commission. Expenses reported are for referrals issued prior to April 1, 2002. The commission (via the provincial government) reimbursed LSS for the cost of the human rights tariff for BC Human Rights Act matters.

[4] Tariff services for poverty law cases were eliminated in April 2002. Private lawyers reimburse LSS for costs they recover from clients assisted under the former poverty law services. These reimbursements are paid back into pro bono disbursements.

[5] The 2007/2008 total consists of expenses on duty counsel, tariffs, and transcripts (shown in the Statement of Operations on page 33): minus expenses on Brydges Line, duty counsel, and advice lawyers.

Legal Services Society
Financial Statements 2007/2008

Legal Services Society
Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the society's financial statements. This responsibility includes maintaining the integrity and objectivity of the society's financial records, and presenting the society's financial statements in accordance with Canadian generally accepted accounting principles.

Management maintains a system of internal controls that ensures that all material agreements and transactions of the society are properly recorded. The society's financial statements for the year ended March 31, 2008, have been examined by KPMG LLP. Their examination was made in accordance with Canadian generally accepted accounting standards, and included obtaining a sufficient understanding of the society's internal controls to plan the audit.

The directors of the society's board are not employees of the society. The board of directors is responsible for determining that management fulfills its responsibilities in the preparation of the financial statements and the control of the society's financial operations. The board of directors meets with staff of KPMG LLP to discuss their audit work, the society's internal controls, and the financial statements. The board of directors is responsible for approving the financial statements.

Mark Benton, QC
Executive Director

Catherine McNeil, CA
Director, Finance and Corporate Services

KPMG

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AUDITORS' REPORT

To the Board of Directors,
Legal Services Society, and,

To the Attorney General,
Province of British Columbia

We have audited the balance sheet of the Legal Services Society (the "Society") as at March 31, 2008 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act (British Columbia) we report, that in our opinion, these principles have been applied, except for the change in method of accounting for financial instruments as explained in note 2 to the financial statements, on a basis consistent with that of the preceding year.

KPMG LLP

Chartered Accountants

Burnaby, Canada
May 9, 2008

KPMG LLP, a Canadian limited liability partnership is the Canadian member firm of KPMG International, a Swiss cooperative.

Legal Services Society

Balance Sheet

For the year ended March 31, 2008

	2008	2007
Assets		
Current assets		
Cash	$ 908,092	$ 1,347,290
Short-term investments *(note 4)*	14,065,659	18,451,734
Accounts receivable		
Government of British Columbia	3,369,005	4,917,936
Government of Canada	826,722	610,284
Other	2,958,090	1,316,977
Prepaid expenses	692,868	600,617
Total current assets	22,820,436	27,244,838
Long-term investments *(note 4)*	8,045,665	4,035,599
Capital assets *(note 5)*	2,379,693	2,392,998
Total assets	$ 33,245,794	$ 33,673,435
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities		
General	$ 3,626,340	$ 2,094,531
Tariff *(note 6)*	13,977,564	13,480,932
Deferred contributions *(note 7a)*	1,469,700	2,507,453
Total current liabilities	19,073,604	18,082,916
Deferred capital contribution *(note 7b)*	509,070	–
Long-term liabilities *(note 9)*	553,272	584,675
Surplus in net assets		
Invested in capital assets *(note 10)*	1,576,623	2,109,998
Internally restricted *(note 11)*	11,216,788	11,286,684
Unrestricted	316,437	1,609,162
	13,109,848	15,005,844
Total liabilities and surplus	$ 33,245,794	$ 33,673,435

Commitments *(note 12)*
Contingencies *(note 15)*

The accompanying notes are an integral part of these financial statements.
Approved by:

Mayland McKimm, QC
Chair of the Board of Directors

Janice Comeau
Chair of the Finance Committee

Legal Services Society

Statement of Changes in Net Assets

For the year ended March 31, 2008

	Invested in capital assets (note 10)	Unrestricted	Internally restricted (note 11)	Total 2008	Total 2007
Balance, beginning of year	$ 2,109,998	$ 1,609,162	$ 11,286,684	**$ 15,005,844**	$ 12,860,549
Excess (deficiency) of revenue over expenses for the year	(984,548)	(829,839)	(69,896)	**(1,884,283)**	2,145,295
Investment in capital assets	451,173	(451,173)	–	–	–
Change in fair value of investment classified as "available-for-sale"	–	**(11,713)**	–	**(11,713)**	–
Balance, end of year	$ 1,576,623	$ 316,437	$ 11,216,788	**$ 13,109,848**	$ 15,005,844

The accompanying notes are an integral part of these financial statements.

Legal Services Society

Statement of Operations

For the year ended March 31, 2008

	2008	2007
Revenue		
Grants		
Government of British Columbia	$ 67,019,770	$ 62,696,406
Federal Investment Grant	–	2,966,633
Law Foundation	3,558,397	4,213,159
Notary Foundation	3,768,367	2,660,584
	74,346,534	72,536,782
Other income		
Interest	1,423,537	1,369,047
Miscellaneous	467,636	456,291
	1,891,173	1,825,338
Total income	$ 76,237,707	$ 74,362,120
Expenses		
Amortization	984,548	1,043,581
Local agents	852,639	704,608
Board expenses	187,736	210,509
Computers	1,423,099	1,127,810
Duty counsel	7,365,226	7,403,633
Grants and contracted services	6,096,295	3,657,318
Libraries	128,956	113,393
Miscellaneous	396,115	467,287
Office	930,879	961,644
Premises	1,766,522	1,651,227
Salaries and benefits	14,340,516	13,130,376
Tariffs	42,756,772	40,834,451
Transcripts	678,139	744,923
Travel	214,548	166,065
Total expenses	$ 78,121,990	$ 72,216,825
Excess (deficiency) of revenue over expenses	$ (1,884,283)	$ 2,145,295

The accompanying notes are an integral part of these financial statements.

Legal Services Society

Statement of Cash Flows

For the year ended March 31, 2008

	2008	2007
Cash flows provided by (used in):		
Operating activities		
Excess (deficiency) of revenue over expenses for the year	$ (1,884,283)	$ 2,145,295
Items not involving the outlay of cash		
Amortization	984,548	1,043,581
Lease inducement adjustment in asset retirement obligation	19,000	18,000
	$ (880,735)	$ 3,206,876
Changes in non-cash operating items		
Accounts receivable	(308,620)	(2,694,582)
Prepaid expenses	(92,251)	(49,092)
Accounts payable and accrued liabilities	2,028,441	1,363,772
Deferred contributions	(1,037,753)	(106,870)
	$ (290,918)	$ 1,720,104
Financing activities		
Deferred capital contributions	509,070	–
Long-term liabilities	(31,403)	2,595
Investment activities		
Capital asset additions	(990,243)	(661,694)
Short-term investments	4,386,075	3,095,187
Long-term investments	(4,021,779)	(4,020,831)
	$ (625,947)	$ (1,587,338)
Net increase (decrease) in cash position	(439,198)	135,361
Cash, beginning of year	1,347,290	1,211,929
Cash, end of year	$ 908,092	$ 1,347,290
Supplemental cash flow information		
Non-cash transaction		
Change in capital asset and related asset retirement obligation	$ 8,000	$ (32,000)

The accompanying notes are an integral part of these financial statements.

Legal Services Society

Notes to the Financial Statements

For the year ended March 31, 2008

1. Overview

The Legal Services Society (the society) was established under the Legal Services Society Act on October 1, 1979, and was revised on May 31, 2007. The society is governed by a board of directors, of which 5 are appointed by the province of British Columbia (the province) and 4 are appointed by the Law Society. The purpose of the society is to:

- assist individuals to resolve their legal problems and facilitate access to justice,
- establish and administer an effective and efficient system for providing legal aid to individuals in British Columbia, and
- provide advice to the Attorney General respecting legal aid and access to justice for individuals in British Columbia.

The society is not subject to income taxes.

2. Change in Accounting Policy

Effective April 1, 2007, the society adopted the following sections of the Canadian Institute of Chartered Accountants (CICA) Handbook: Section 3855, Financial Instruments—Recognition and Measurement; Section 3861, Financial Instruments—Disclosure and Presentation; and Section 3865, Hedges. These new handbook sections provide comprehensive requirements for the recognition and measurement of financial instruments and related disclosures.

Under these new standards, all financial instruments are classified into one of the following five categories: held for trading, held-to-maturity, loans and receivables, available-for-sale financial assets, or other financial liabilities. All financial instruments, including derivatives, are included on the balance sheet and are initially measured at fair market value. Subsequent measurement and recognition of changes in fair value of financial instruments depends on their initial classification. Held-for-trading financial instruments are measured at fair value and all gains and losses are included in the statement of operations in the period they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in the net asset balance until the asset is removed from the balance sheet. Loans and receivables, held-to-maturity investments, and other financial liabilities are measured at amortized cost.

The standards require derivative instruments to be recorded as either assets or liabilities measured at their fair value unless exempted from derivative treatment as normal purchase and sale. Certain derivatives embedded in other contracts must also be measured at fair value. All changes in the fair value of derivatives are recognized as earnings unless specific hedge criteria are met, which require that the society must formally document, designate, and assess the effectiveness of transactions to which hedge accounting is applied.

As a result of the adoption of these standards, the society has classified cash as available for sale. Accounts receivable are classified as loans and receivables. Short-term investments and long-term investments have been classified as either held-to-maturity or available-for-sale.

Accounts payable, accrued liabilities, and long-term liabilities are classified as other financial liabilities. The society has not identified any embedded derivatives that are not closely related to the host contract and currently the society does not have any financial instruments that would qualify for hedge accounting.

As permitted, these standards have been applied prospectively with no impact to net assets at April 1, 2007.

3. Significant Accounting Policies

(a) Basis of accounting

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

(b) Short-term and long-term investments

Investments include banker's acceptance, provincial and federal government bonds, and bank bonds. The investments have been classified as follows:

- **Held-to-maturity:**
  Investments that have fixed or determinable payments and a fixed maturity date, which the society intends and has the ability to hold to maturity, are classified as held-to-maturity and accounted for at amortized cost using the effective interest rate method.
- **Available-for-sale:**
  Investments classified as available-for-sale are carried at fair value with the changes in fair value recorded in unrestricted surplus in net assets.

(c) Capital assets

Capital assets are recorded at cost and are amortized on a straight-line basis as follows:

	Per year
Furniture	20%
Equipment	20%
Computer equipment	33%
Computer software	33%
Case Management System	10%
Leasehold improvements	lower of lease term and useful life

(d) Deferred lease inducements

Tenant inducements received for leased premises are deferred and amortized on a straight-line basis over the term of the lease.

(e) Asset retirement obligation

The society recognizes the fair value of a future asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that results from the acquisition, construction, development, and/or normal use of the assets. The society concurrently recognizes a corresponding increase in the carrying amount of the related long-lived asset that is depreciated over the life of the asset.

The fair value of the asset retirement obligation is estimated using the expected cash flow approach that reflects a range of possible outcomes discounted at a credit-adjusted, risk-free interest rate. Subsequent to the initial measurement, the asset retirement obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. Changes in the obligation due to the passage of time are recognized in the Statement of Operations as an operating expense using the interest method. Changes in the obligation due to changes in estimated cash flows are recognized as an adjustment of the carrying amount of the related long-lived asset that is depreciated over the remaining life of the asset.

(f) Pension plan

The society participates in a multi-employer contributory pension plan. The cost of the defined contributions is recognized based on the contributions required to be made during each period.

(g) Revenue recognition

The society follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions for expenses that will be incurred in future periods are deferred and recognized in the period in which the related expenses are incurred.

(h) Donated services

Donated services are recorded at fair value when they would normally be purchased by the society and when fair value can be estimated for the services. If fair value cannot be reasonably estimated, the services are not recorded.

(i) Tariff expenses

Tariff expenses include amounts billed by the lawyers to the society and an estimate of amounts of services performed by lawyers but not yet billed to the society.

(j) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas where estimates are significant to the financial statements include the collectibility of accounts receivable, amortization of capital assets, asset retirement obligations, tariff expenses, and contingent liabilities. Actual results could differ from those estimates.

(k) Future changes in accounting policies

Commencing with the fiscal year beginning April 1, 2008, the society will be adopting CICA Handbook section 3862, Financial Instruments—Disclosures and section 3863, Financial Instruments—Presentation. These standards revise the current standards on financial instruments disclosure and presentation and place an increased emphasis on disclosures regarding the risks associated with both recognized and unrecognized financial instruments and how these risks are managed.

Management is currently determining the impact of the adoption of these standards on the financial statements for the 2009 fiscal year.

4. Investments

The combined carrying value of the society's short- and long-term investments is $22,111,324 (2007—$22,487,333). Included in Investments is $500,848 for accrued interest (2007—$159,022). The investments have a market value at March 31, 2008, of $22,237,514 (2007—$22,466,537).

	March 31, 2008		March 31, 2007	
	Carrying value	Fair value	Carrying value	Fair value
Held-to-maturity	**$ 19,630,494**	$ 19,756,684	$ 22,487,333	$ 22,466,537
Available-for-sale	**2,480,830**	2,480,830	–	–
Total	**$ 22,111,324**	$ 22,237,514	$ 22,487,333	$ 22,466,537

5. Capital Assets

	Cost	Accumulated amortization	Net book value 2008	Net book value 2007
Furniture	$ 961,999	$ (545,889)	**$ 416,110**	$ 351,353
Equipment	1,291,380	(915,186)	**376,194**	237,699
Computer equipment	2,276,566	(2,202,722)	**73,844**	165,700
Computer software	1,121,608	(970,315)	**151,293**	44,425
Case Management System	1,126,527	(1,090,756)	**35,771**	92,031
Leasehold improvements	3,289,663	(1,963,182)	**1,326,481**	1,501,790
	$ 10,067,743	$ (7,688,050)	**$ 2,379,693**	$ 2,392,998

6. Accounts Payable and Accrued Liabilities—Tariff

	2008	2007
Balance, beginning of year	**$ 13,480,932**	$ 11,613,324
Duty counsel	**7,365,226**	7,399,174
Tariffs	**42,756,772**	40,757,350
Less tariff payments made during the year	**(49,625,366)**	(46,288,916)
Balance, end of year	**$ 13,977,564**	$ 13,480,932

The society uses an actuarial model to estimate legal services performed but not yet billed to the society. Management estimated the liability to be approximately $11,870,000 (2007—$11,340,000). This estimate included in the above table incorporates average case costs and service billings for similar cases, based on historical experience over a two-year period. Actual costs could differ from this estimate.

7. Deferred Contributions

(a) Contributions that are restricted to funding specific expenses are deferred and amortized to operations as the related expenses are incurred.

	Balance, beginning of the year	Restricted contributions	Criminal tariff surplus	Amortized to operations	Balance, end of the year
Law Foundation	$ –	$ 161,200	$ –	$ 100,838	**$ 60,362**
Ministry of Children and Family Development	536,684	–	–	118,204	**418,480**
Government of British Columbia (exceptional matters*)	1,970,769	2,700,000	850,363	4,530,274	**990,858**
Total	$ 2,507,453	$ 2,861,200	$ 850,363	$ 4,749,316	**$ 1,469,700**

* The society's Memorandum of Understanding with the Attorney General of British Columbia provides for restricted funding for exceptional matters commencing with the 2003 fiscal year. In the case of an annual shortfall, the society must first apply the shortfall to any surplus in the criminal tariff. Any remaining shortfall is then applied to the dererred contribution. Exceptional matters are cases that meet one or more of the following criteria:

- A court has ordered that counsel be provided.
- The complexity of the legal matter requires payment of fees in excess of the standard rate.
- Legal fees or disbursements exceed $50,000.
- Several individuals are involved in a similar or related legal proceeding.

(b) Deferred capital contributions represent the unamortized amount of externally restricted grants and other funding received for the purchase of capital assets. Amortization of capital contributions is recorded as revenue in the statement of operations.

	2008	2007
Balance, beginning of year	$ –	$ –
Contributions received	**554,588**	–
Amortization of deferred capital contributions	**(45,518)**	–
Balance, end of year	**$ 509,070**	$ –

8. Pension Plan

The society and its employees contribute to the Municipal Pension Plan (the plan), a jointly trusteed pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 145,000 active members and approximately 51,000 retired members.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2006, indicated a surplus of $438 million for basic pension benefits. The next valuation will be as at December 31, 2009, with results available for 2010. The actuary does not attribute portions of the surplus to individual employers. The society paid $775,113 for employer contributions to the plan in fiscal 2008 (2007—$767,622).

9. Long-Term Liabilities

	2008	2007
Asset retirement obligations (a)	$ 369,000	$ 366,000
Lease inducements	184,272	218,676
	$ 553,272	$ 584,675

(a) Asset retirement obligation

Included within long-term liabilities is the society's accrual for its asset retirement obligation for the estimated costs of restoring certain leased facilities to their original condition at the end of the lease terms. The following is a reconciliation of the changes in the asset retirement obligation during the year:

	2008	2007
Balance, beginning of year	$ 374,000	$ 324,000
Liabilities incurred during the year	–	32,000
Accretion expense	19,000	18,000
Less liabilities settled	(8,000)	–
Balance, end of the year	385,000	374,000
Less current portion	(16,000)	(8,000)
Long-term portion	$ 369,000	$ 366,000

The accretion expense is included in the premises expense. The undiscounted estimated cash flows required to settle the obligation range from $22,000 to $280,000 during the years 2008 to 2014. The cash flows are discounted using a credit-adjusted, risk-free rate of 5.0% (2007—5.0%).

10. Invested in Capital Assets

	2008	2007
(a) Net assets invested in capital assets are calculated as follows:		
Capital assets	$ 2,379,693	$ 2,392,998
Amounts financed by: Asset retirement obligation, net of accretion expense	(294,000)	(283,000)
Deferred capital contribution	(509,070)	–
Balance, end of the year	$ 1,576,623	$ 2,109,998
(b) Excess of revenue over expenses:		
Amortization of capital assets	$ (984,548)	$ (1,043,581)
(c) Net change in investment in capital assets:		
Net increase in capital assets	$ 963,243	$ 643,694
Change in asset retirement obligation	(3,000)	(32,000)
Deferred capital contribution	(509,070)	–
Change in capital assets	$ 451,173	$ 611,694

11. Internally Restricted Net Assets

	Child protection	Board-directed strategic initiatives	Total
Opening balance	$ 286,684	$ 11,000,000	$ 11,286,684
Less: expenditures	(69,896)	–	(69,896)
	$ 216,788	**$ 11,000,000**	**$ 11,216,788**

The board of directors has authorized the following restriction of the surplus in net assets:

- On March 31, 2003, the restriction of $600,000 for a child protection pilot project
- On December 15, 2006, the restriction of $11.0 million for board-directed strategic initiatives

These internally restricted amounts are not available for other purposes without approval by the board of directors.

12. Commitments

The society has the following commitments for long-term leases of its office premises and operating leases:

2009	$ 731,854
2010	704,363
2011	719,175
2012	719,175
2013	719,175
Thereafter	1,024,887

At fiscal year-end, the liability for future costs of legal services to be performed beyond the fiscal year, for which the society is currently committed, is estimated by management to be approximately $19 million. This estimate uses the same methodology as described in note 6 for tariff payables.

13. Related Parties

The society is related to the province and its ministries, agencies, and Crown corporations. In this relationship, the province provided funding in the amount of $67,019,770 (2007—$62,696,406) and the society is responsible for providing legal aid to individuals throughout BC. At year-end, the province owed the society $3,369,005 (2007—$4,917,936).

Certain members of the board of directors provide tariff services to the society. These services are provided in the regular course of business under the same terms and conditions as other lawyers. The total amount paid during the year was $325,405 (2007—$76,623). All payments to board members are reviewed by the finance committee on a quarterly basis.

The Law Foundation of BC (the foundation) and the society established a legal aid research fund during the year. The purpose of the fund is to support research on and evaluation of legal aid and other access to justice programs to enhance the quality of and access to justice for British Columbians. Both the foundation and the society contributed $1.0 million and the fund will be held and administered by the foundation. The expenditure has been included in grants and contracted services expenses.

14. Economic Dependence

In 2008, the society received 88% (2007—84%) of its operating revenue from the province, 5% (2007—6%) from the Law Foundation of British Columbia, and 5% (2007—4%) from the Notary Foundation of BC. The society depends on funding from these sources for the continuance of its operations.

15. Contingencies

The nature of the society's activities are such that there is usually pending or prospective litigation at any time against the society. With respect to claims at March 31, 2008, management believes the society has valid defenses and appropriate insurance coverage in place. In the event that any of these claims are successful, management believes they will not have a material effect on the society's financial position.

16. Comparative Figures

Certain comparative figures have been changed to conform to the current year's presentation.

Appendix 1: Operating Data

The tables in this section provide a detailed breakdown of the numbers of clients that used LSS services over the past three years. Data is provided on applications and referrals for legal representation, LSS advice and information services, and policy compliance processes. For more information on LSS services, please visit our website at www.lss.bc.ca.

Legal representation

Table 13 summarizes applications and referrals for legal representation by area of law for the past three years. For information on the reliability of this data, see page 45.

Table 13 Demand for legal representation: All areas of law

	2007/2008		2006/2007[1]		2005/2006[1]	
Type of legal problem	Applications	Referrals	Applications	Referrals	Applications	Referrals
Criminal	29,314	22,867	29,024	22,602	28,381	22,048
Family[2]	9,067	5,081	8,617	4,525	8,807	4,564
CFCSA[3]	2,786	2,274	2,884	2,408	2,962	2,561
Immigration	1,480	1,192	1,199	1,012	1,034	837
Total	**42,647**	**31,414**	**41,722**	**30,547**	**41,184**	**30,010**

[1] Data as recorded in previous annual reports.

[2] In 2007/2008, 746 referrals were approved on exception review (because of extenuating circumstances), compared to 421 in 2006/2007 and 452 in 2005/2006.

[3] Child, Family and Community Service Act.

Volume changes

Immigration and family law applications and referrals grew this year, while the volume of criminal cases remained stable and CFCSA cases declined. Table 14 shows changes in referral volumes for the last three years, and figure 1 illustrates the breakdown of referrals by area of law for 2007/2008.

Figure 1 Referrals by area of law, 2007/2008

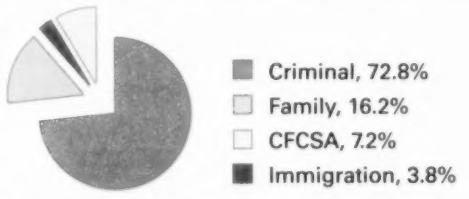
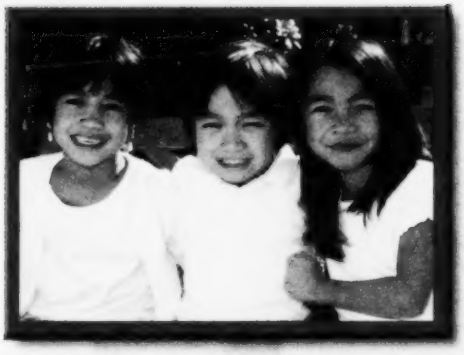


Table 14 Changes in referral volumes by area of law

Type of legal problem	2007/2008	2006/2007	2005/2006
Criminal	1.2%	2.5%	3.0%
Family	12.3%	-0.9%	9.3%
CFCSA	-5.6%	-6.0%	11.0%
Immigration	17.8%	20.9%	13.1%



The growth in family law applications/referrals may be attributed in part to the society's legal aid awareness campaign, which focused this year on building understanding of LSS family law services among intermediaries and the public. New family law services introduced in late 2006, which provide referrals for a broader range of cases and support mediation and collaborative processes, may also have contributed to the increase. The continued increase in immigration volumes is consistent with steady growth in refugee claims in the Western Region of the Immigration and Refugee Board of Canada.

Legal advice

LSS legal advice services provide essential legal assistance to people with low incomes who are not eligible for legal representation.

Table 15 provides data for LSS legal advice services for the past three years. The 19% decline in LawLINE advice calls this year (and the corresponding 15% increase in LawLINE information calls—see table 16) can be primarily attributed to two pilot projects initiated in June 2007 to streamline LawLINE service. The projects altered introductory LawLINE phone messages to alert callers to the information they need to have on hand and to divert family law calls (previously about 37% of LawLINE volume) to in-person services (like duty counsel) in the caller's community. These two changes immediately and significantly reduced call volume and the wait times for the remaining callers. As the diverted calls were mainly clients seeking advice, the proportion of information versus advice calls handled by LawLINE was temporarily changed. The increase in family duty counsel services provided this year may also reflect these diverted calls. For information on the reliability of this data, see page 46.

Legal information

LSS offers a range of legal information services that can help people with low incomes solve their legal problems on their own or with help from intermediaries (see Glossary, page 50).

Table 16 provides data on legal information services provided by LSS to clients for the past three years. For information on the reliability of this data, see page 46. Higher LawLINE information call volumes this year may be a result of efforts to streamline the telephone service (see Legal advice above). Expanding legal information outreach worker (LIOW) services in Kamloops, Nanaimo, and Surrey over the course of 2007/2008 contributed to an overall increase in information provided by LIOWs; however, temporarily vacant positions and new staff at the start of the year limited the growth.

Table 15 Legal advice services

Service	Number of client visits/calls handled[1]		
	2007/2008	2006/2007	2005/2006
Criminal duty counsel[2]	81,216	82,024[3]	75,720
Immigration duty counsel	832	1,006	989
Family duty counsel and advice lawyers	22,371	21,122	18,789[4]
Brydges Line	28,360	30,011	30,733
LawLINE advice	8,001	9,824	10,173

[1] Totals reflect the number of times advice was given (or the number of calls handled), not the number of clients served or issues addressed (clients may have one or more issues at a time and may access services more than once).

[2] Includes duty counsel at circuit courts. In 2007/2008, circuit court accounted for 2,523 client visits.

[3] Data for this year includes 2,176 client visits with night-shift duty counsel in Vancouver, which was introduced in May 2006.

[4] Over the course of 2005/2006, LSS introduced family duty counsel in 13 Supreme Court locations, which account for 3,508 of the clients assisted this year.

Table 16 Legal information services

	2007/2008	2006/2007	2005/2006
LawLINE information/referral requests[1]	7,625	6,626	6,421
Public legal education and information publications distributed[2]	130,055	139,816	143,905
Legal aid services awareness materials distributed[3]	85,527	–	–
Public legal education and information materials produced (new and revised)[4]	23	28	21
Legal information outreach worker (LIOW) information[5]	5,788	3,491	5,027

[1] Data indicates the number of calls handled, not the number of individuals served (people may access the service more than once). Data on LawLINE advice services are reported in table 17.

[2] Distribution data includes copies of the Tenant Resource and Advisory Centre publication, *Tenant Survival Guide*, which LSS distributes.

[3] This includes brochures, posters, advertisements, bookmarks, and other materials produced by LSS to ensure the people of BC are aware of legal aid services and how to access them. This is the first year of reporting for this data.

[4] Data excludes brochures and other materials about legal aid services (14 publications in 2007/2008) as well as administrative materials such as reports and evaluations.

[5] The overall reported number of questions handled by LIOWs declined 31% in 2006/2007, primarily because Surrey and Kelowna locations were not fully staffed throughout the year.

Table 17 Use of LSS websites

Site	2007/2008	2006/2007[1]	2005/2006
LSS website	16,886 visits/month	15,770 visits/month	13,488 visits/month
Family Law website	12,508 visits/month	9,272 visits/month	9,241 visits/month
LawLINK	4,995 visits/month	5,643 visits/month	7,321 visits/month

Note: "Visits" are the number of times the site is accessed over a given period (if the same person returns to the site after a half hour, that person is counted again as a new visitor). Data reflects the average number of visits per month for each year.

[1] In July 2006/2007, LSS began using a new website analytics tool to calculate visits to its sites. This tool tends to provide slightly lower monthly visit numbers than the previous tool. Average site visits for 2006/2007 is based on 9 months of data provided by the new tool and 3 months of data provided by the previous tool.

LSS manages three of its own websites:

- Family Law in BC, which helps people understand and use the law to resolve their family law problems (www.familylaw.lss.bc.ca)
- LawLINK, which is designed to help people and their advocates find current and usable self-help legal information online (www.lawlink.bc.ca)
- LSS website, which features publications on various aspects of the law and information about LSS and legal aid services (www.lss.bc.ca)

Table 17 provides information on clients' use of these websites over the last three years. Visits to the Family Law website, relaunched with a new design and expanded content in November 2006, increased by 35% over 2006/2007. Visits to the LSS website showed a 7% increase, while visits to LawLINK declined by about 10% from the previous year. For information on the reliability of this data, see page 46.

Policy compliance

Staff at regional centres, local agent offices, and the LSS Call Centre do not provide legal representation if they believe an applicant:

- is not financially eligible,
- has a problem that falls outside the society's coverage rules, or
- has provided insufficient information to satisfy them that he or she is eligible for a referral.

Staff ensure LSS coverage and financial eligibility policies are applied accurately and consistently across the province by:

- reviewing refusals for legal representation whenever applicants ask (requests for review must be submitted within 90 days of the applicant's application being denied), and
- investigating all complaints received by anyone who alleges someone is improperly receiving legal representation.

Table 18 shows the volumes and results of eligibility reviews for the past three years. Table 19 shows the volume and results of investigations of complaints by third parties about clients receiving legal aid. Expanded coverage for family clients in late 2006 may have contributed to the reduction in the number of coverage eligibility reviews (by 22%) and an overall decline in complaints (by 27%) in 2007/2008 from the previous year. New processes for conducting reviews and investigating complaints in 2007/2008 enabled files to be resolved more quickly, reducing the number of complaints files open at the end of the year. LSS received client eligibility complaints for less than 1% of cases in 2007/2008. For information on reliability of the data in tables 18 and 19, see page 46.

Table 18 Eligibility reviews

Reviews	2007/2008 Coverage[1]	2007/2008 Financial[2]	2007/2008 Coverage and Financial[3]	2006/2007 Coverage[1]	2006/2007 Financial[2]	2005/2006 Coverage[1]	2005/2006 Financial[2]
Granted	15	34	1	30	26	n/a	27
Denied	139	180	14	161	173	n/a	130
Other[4]	8	20	1	15	8	n/a	2
Files open, under review	1	3	0	4	4	n/a	4
Total[5]	**163**	**237**	**16**	**210**	**211**	**n/a**	**163**

[1] Coverage reviews determine whether an applicant was appropriately denied a referral based on the current coverage guidelines. Data on coverage reviews was not available for publication in 2005/2006 and 2004/2005 because of changes in how the information was gathered.

[2] Financial reviews determine whether an applicant was appropriately denied a referral based on the current financial guidelines.

[3] To improve reporting accuracy, files reviewed in 2007/2008 for both coverage and financial eligibility were recorded in a combined category for the first time. In previous years, files that were reviewed for both were recorded under either coverage or financial reviews.

[4] Other means the matter was abandoned by the applicant, returned to the referring office to consider additional information or issues, or resolved by other means.

[5] Total includes files still open at the end of the previous fiscal year.

Table 19 Complaints about clients' eligibility

Basis of investigation	2007/2008	2006/2007	2005/2006
Complaint unfounded/coverage continued	57	76	83
Coverage terminated/case converted to private fee retainer or collection file opened	31	45	43
Referral cancelled after client failed to respond to a request for reassessment	1	–	4
Complaint about a non-LSS client	30	22	29
Complaint received after case concluded or substantially completed	11	11	14
No further investigation required (e.g., complaint duplicates information already reported and investigated)	18	19	10
Open, investigation continuing	16	52	36
Total[1]	**164**	**225**	**219**

[1] Number of individuals complained about includes files still open at the end of the previous fiscal year.

Reliability of data

The following describes the sources and accuracy of LSS operating data.

Legal representation (tables 13 and 14)

When annual report numbers are generated for any fiscal year, a few paper applications may not have been processed yet or were initiated in error and not yet corrected. As a result, the final numbers for a given year may differ slightly from those in the annual report. The 2007/2008 application data in table 13 is expected to be accurate to within 99.9% or better.

Before a referral can be issued, the client's income must be verified, his or her legal situation must be assessed, and a lawyer has to be found to take the case. Although more than 90% of first referrals are approved and issued within 30 days of an application, some take longer to process. Accordingly, when the annual report data is generated, decisions are pending on some applications. For example, the final total for 2006/2007 referrals was 0.80% higher than the total in the *LSS Annual Service Plan Report 2006/2007*. The accuracy of the 2007/2008 referral data in table 13 is expected to be similar to that published last year.

Legal advice (table 15)

Duty counsel data in table 14 is compiled from reports submitted by lawyers providing this service. Duty counsel can submit their bills and information on the number of clients assisted months after the service date. Accordingly, not all information is available when data for the annual report is generated. For example, after a total of 104,152 duty counsel clients assisted was published in the *LSS Annual Service Plan Report 2006/2007*, duty counsel billed for another 3,446 clients applicable to that fiscal year.

Brydges Line data in table 14 is provided by the contracted service provider.

Telephone calls received by LawLINE and reported in table 15 are counted by computer; data on which of these calls involve advice services is drawn from a database maintained by LSS staff.

Legal information (tables 16 and 17)

Telephone calls received by LawLINE and reported in table 16 are counted by computer. Data that shows which of these calls involve information services is drawn from a database maintained by LSS staff.

The publications data in table 16 is drawn from a database maintained by LSS staff.

Legal information outreach worker (LIOW) data in table 16 is based on information compiled manually by LIOWs.

The website data in table 17 presents an approximate measure of use of the society's websites. Since January 2003, statistics for the LSS, Family Law, and LawLINK sites have been captured and analyzed by computer. In May 2006, LSS switched to a new tool to provide more comprehensive data on website usage. This tool tends to provide slightly lower usage figures than the previous system. Data shows activity by internal (staff) as well as external users, except users accessing the LSS website for electronic billing.

Policy compliance (tables 18 and 19)

Reviews of refusals based on financial and coverage eligibility are conducted at the Vancouver Regional Centre. Data in tables 18 and 19 is drawn from a database maintained by staff.

Appendix 2: Goals, Objectives, Strategies, and Performance Measures for 2008/2009–2010/2011

Table 20 Goals, objectives, strategies, and performance measures for 2008/2009–2010/2011

Goals	Objectives	Strategies	Measures
1 People with low incomes who have legal issues will use LSS services	a. People with low incomes know about LSS services. b. LSS services are available where and when people with low incomes need them. c. LSS services are proportionate and appropriate to the legal needs of people with low incomes. d. Intermediaries are aware of LSS services and refer people with low incomes to them.	1. Increase use of LSS services by building public awareness through advertising and other promotional and outreach activities. 2. Collaborate with other agencies to house legal aid application, information, advice, and referral services in locations accessible to people with low incomes. 3. Review coverage and financial eligibility rules regularly to ensure people with low incomes have access to needed services. 4. Pilot new projects for Aboriginal clients while also making current LSS programs more culturally appropriate for them. 5. Use technology and multiple media to create services that are accessible and culturally appropriate for diverse client groups across BC. 6. Consult with client groups and intermediaries in the design and delivery of LSS services.	• Percent of clients satisfied with the accessibility of LSS services (66% in 2007/2008) • Percent of clients satisfied with the helpfulness of LSS services (65% in 2007/2008)

Glossary

Alternative dispute resolution (ADR) funding initiative A collaborative initiative between the Ministry of Children and Family Development, Ministry of Attorney General, and LSS to evaluate and fund local alternative dispute resolution projects in child protection proceedings. It is expected that once the infrastructure to support mediation is in place, these projects will run independently.

Common Measurements Tool (CMT) A standard set of client satisfaction survey questions developed by the Institute of Customer-Centred Service (ICCS), a non-profit agency that encourages publicly funded programs to measure client satisfaction. Public organizations submit data from surveys they conduct using the Common Measurement Tool to the ICCS, which stores it in a national databank. ICCS uses this data to provide a free benchmarking service for participating organizations.

Federal Investment Fund A fund established to cover innovations related to criminal law services implemented from April 1, 2002, through March 31, 2007. Also known as the Legal Aid Renewal Fund, it was part of the Agreement Respecting Legal Aid in Criminal Law, Youth Criminal Justice Act, and Immigration and Refugee Matters Between the Government of Canada and the Province of British Columbia.

Intermediaries Judges, police, lawyers, court workers, local agents, staff at women's shelters, community advocates, and others in the justice system who interact with legal aid clients.

Justice access centres A single location where people can access legal information and self-help services, needs assessment and referrals to other agencies, alternative dispute resolution services, and legal advice. Services may be delivered by on-site providers or through referrals to providers in the community. A service centre model was recommended by both the Family and Civil Justice Reform Working Groups (see Justice Review Task Force below).

Justice Review Task Force Established in March 2002 at the initiative of the Law Society of BC, the task force's objective is to identify potential reform initiatives to help make the justice system more responsive, accessible, and cost-effective; the task force includes working groups on criminal, civil, and family justice reform; see www.bcjusticereview.org for more information.

Key stakeholders Those with a direct interest in BC's legal aid plan, including people with low incomes who need legal services, service providers and intermediaries, the public, government and other funders, and LSS staff.

Reserve funds The excess of revenue over expenses that accumulates over the life of the organization; the LSS reserve reflects assets (e.g., buildings, equipment, cash, investments) minus liabilities (e.g., accounts payable); also known as a surplus in net assets.

Unbundled legal services Designed to help people who are representing themselves in legal proceedings, unbundled legal services allow lawyers to provide limited assistance to clients who cannot afford to pay for full legal representation. The mandate for the Law Society's Unbundling Legal Services Task Force, scheduled to report to the society's Benchers in early 2008/2009, includes clarifying the scope of unbundled services and how this approach might increase access to justice in BC, and identifying best practices for lawyers offering these services.

Contact Information

For further information about the society, contact the LSS Communications Department at:

400 – 510 Burrard Street
Vancouver, BC V6C 3A8
Phone: (604) 601-6000

To apply for legal representation, contact a LSS regional centre or local agent office. You can also apply through the LSS Call Centre at (604) 408-2172 (Lower Mainland) or toll free at 1-866-577-2525. To find the address and phone number of the office nearest you, visit our website at www.lss.bc.ca (look under "Legal aid") or look in your phone book.

Regional Centres

Kamloops
Kelowna
Prince George
Surrey
Terrace
Vancouver
Victoria

Satellite Offices

Prince Rupert (Terrace)
Port Coquitlam (Surrey)

Local Agents

Abbotsford
Campbell River
Courtenay
Chilliwack
Cranbrook
Dawson Creek
Duncan
Fort St. James
Fort St. John
Hazelton
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